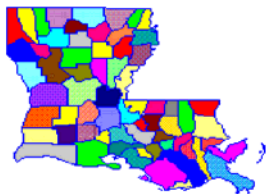


Louisiana Accounting and Uniform Governmental Handbook



Louisiana State Department of Education
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Louisiana State Department of Education
Louisiana Accounting and Uniform Governmental Handbook
For Local School Boards

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PURPOSE OF HANDBOOK

The primary purpose of the Louisiana Accounting and Uniform Governmental Handbook for local school boards is to serve as a vehicle for program cost accounting at the local and state levels.

The Louisiana State Department of Education has a responsibility to provide and interpret comprehensive statistics about the condition of education in the state. In addition, it has congressional mandates to publish fiscal data as well as to provide statistical data that can be used by local school boards to improve their activities.

The Louisiana Accounting and Uniform Governmental Handbook attempts to produce comprehensive and compatible sets of standardized terminology for use in education management and reporting. The following basic criteria were used in selecting items and classifications for inclusion in this publication.

1. The items, accounts, and categories of information should provide the basic framework fundamental to a comprehensive financial management system.
2. The guidelines should serve all sizes and types of school systems.
3. The categories of accounts should be both contractible and expandable, enabling all school systems to adapt them to support various financial management information systems.
4. Data elements should be added into needed categories for purposes of reporting and comparing at the local, state and federal levels.
5. The guidelines should conform to generally accepted accounting principles.
6. The guidelines should include the categories necessary to provide full disclosure of financial information.
7. The categories included should provide an adequate audit trail.

The local school board is the organization most likely to use the account classifications described here. However, the Louisiana State Department of Education is, most likely, the direct user.

Both will derive direct benefits as acceptance and use of these guidelines spread among local school boards. The resulting increased uniformity of accounting records in use at the local level will make financial data assembled at the state and federal levels more comparable and meaningful.

While this publication includes a complete listing of classifications and standard terminology, it is not all-inclusive; specifically, it does not provide the information listed below.

1. Methods and procedures for recording financial data (such as how to record entries in journals and ledgers).
2. Methods and procedures for reporting financial data (such as actual preparation of financial reports from the ledgers).
3. Methods and procedures for utilizing financial data (such as budgeting and making decisions about the financial position of the local school board).

THE ACCOUNT CLASSIFICATION STRUCTURE

This publication provides for classifying three basic types of financial activity: revenues and other sources of funds; expenditures and other uses of funds; and transactions affecting the balance sheet only. For each type of transaction, the specific account code is made up of a combination of classifications called *dimensions*. Each dimension describes one way of classifying financial activity. The dimensions applicable to each type of transaction are:

Revenues	Expenditures	Balance Sheet
Fund	Fund	Fund
Source	Object	Balance Sheet Accounts
	Function	

The purpose and uses of each of these dimensions are described below. The chart of accounts for each of these dimensions is shown later in this handbook.

1. **Fund** – A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources. It also contains all related liabilities and residual equities or balances, or changes therein. Funds are established to carry on specific activities or to attain certain objectives of an LEA according to special legislation, regulations, or other restrictions.
2. **Source** – Permits segregation of revenues by source. The primary classification differentiates local, state and federal revenue sources.
3. **Object** – The service or commodity bought. There are nine major object categories: Salaries, Employee Benefits, Purchased Professional and Technical Services, Purchased Property Services, Other Purchased Services, Supplies, Property, Other Objects, and Other Uses of Funds.
4. **Function** – The activity for which a service or material object is acquired. The functions of an LEA are classified into five broad areas: Instruction, Support Services, Operation of Non-Instructional Services, Facilities Acquisition and Construction Services, and Other Uses.
5. **Balance Sheet Accounts** – These classifications correspond to those items normally appearing on the balance sheet in three areas: assets and other debits; liabilities and other credits; and fund equity.

FUND CLASSIFICATIONS

Governmental accounting systems should be organized and operated on a fund basis. Unlike a private business, which is accounted for as a single entity, a governmental unit is accounted for through separate fund and account group entities, each accounting for designated assets, liabilities and equity or other balances. Therefore, from an accounting and financial management viewpoint, a governmental unit is a combination of several distinctively different fiscal and accounting entities, each having a separate set of self-balancing accounts and functioning independently of other funds and account groups. Each fund must be so accounted for that the identity of its resources, obligations, revenues, expenditures, and fund equities is continually maintained.

The various activities of a government are not typically considered to form a homogeneous whole. Instead, a governmental entity is considered to comprise a number of separate fiscal entities known as "funds." Such funds are established to segregate specific activities or objectives of a government in accordance with special regulations, restrictions, or limitations. Thus, in governmental accounting, the accounting entity is each individual fund, not the overall government organization.

Funds used by governmental entities are classified into three broad categories: governmental, proprietary, and fiduciary. These funds are supplemented by two account groups: the General Fixed Assets Account Group and the General Long-Term Debt Account Group.

GOVERNMENTAL FUNDS

Governmental Funds are funds through which most functions are typically financed. Governmental funds are accounting segregations of financial resources. Their measurement focus is on the determination of financial position and on the changes in financial position (sources, uses, and balances of financial resources), rather than on net income determination. This measurement focus is basically the flow of current financial resources. This measurement focus is unique in that generally only current expendable financial resources are accounted for in the governmental fund category. Within the governmental funds category are the four fund types described below.

1. **The General Fund** – Used to account for all financial resources except those required to be accounted for in another fund. Typically, the general fund is the chief reporting vehicle for a government's current operations.
2. **Special Revenue Funds** – Used to account for specific revenue sources that legally may be expended only for specific purposes. Special revenue funds are not used for amounts held in trust or for resources that will be used for major capital projects.
 - A. Federal Revenue

- a. IASA – All revenue related to the Improving America’s School Act (IASA) including all Parts.
- b. Special Education Funds – All revenue related to the Individuals with Disabilities Education Act (IDEA) and all related Parts.
- c. Other Federal Revenue – Used to account for all other federal revenue including for example Adult Education, Vocational Education, and Headstart.

B. Other Revenue

- a. School Food Service Funds – All revenue, federal, state, or local related to the Child Nutrition Programs including School Lunch, School Breakfast, After School Snacks, Catering, and Nutrition Education.
- b. Other Special Revenue – All state and/or local revenue specifically dedicated for a purpose.

- 3. **Capital Projects Funds** – Used to account for major capital acquisitions or construction. These funds are not used for construction financed by proprietary or trust funds. A separate Capital Projects Fund is usually established when the project exceeds a single fiscal year, when the financing sources are provided by more than one fund, or when the capital asset is financed by specifically designated resources.
- 4. **Debt Service Funds** – Used to account for the accumulation of resources to pay the principal and interest on the general long-term debt that is recorded in the entity's General Long-Term Debt Account Group. A Debt Service Fund may be used for each obligation; however, it should be established only if legally required or if resources are being accumulated to meet future payments. When obligations are paid, on a current basis, by the General Fund or by a Special Fund, there is no need to create a Debt Service Fund unless legally required to do so.

PROPRIETARY FUNDS

A Proprietary Fund is used to account for governmental activities that are similar to activities that may be performed by a commercial enterprise. The measurement focus is on the determination of net income, financial position, and changes in financial position. This measurement focus, similar to that found in the private sector, is based on the flow of economic resources; it requires the reporting of all assets and liabilities associated with a particular activity. Within the proprietary fund category are two fund types.

5. **Enterprise Funds** – Used to account for operations when one or both of the following conditions exist:
 - a. Operations are financed and operated in a manner similar to a private business enterprise, where the intent of management is that the costs (expenses, including depreciation) of providing goods or services to the public on a continuing basis are financed or recovered primarily through user charges.
 - b. Management has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.
6. **Internal Service Funds** – Used to account for the financing of goods or services provided by one department or agency to other departments or agencies within the governmental unit, or to other governmental units, on a cost–reimbursement basis. Thus, the objective of an Internal Service Fund is not to make profit, but rather to recover over a period of time the total cost of providing the goods or services.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets when a governmental unit is functioning either as a trustee or as an agent for another party; they are commonly referred to as trust and agency funds. The trust and agency funds are further divided into four "subfund types." These subfund types reflect variations in how assets are held and how they may be used.

7. **Expendable Trust Funds** – Used to account for resources held in trust when both principal and earnings may be spent in their entirety for the purpose or purposes specified in the trust agreement.
8. **Nonexpendable Trust Funds** – Used to account for resources held in trust when only earnings may be expended and the principal must remain intact.
9. **Pension Trust Funds** – Used to account for resources accumulated to finance pension benefits.
10. **Agency Funds** – Used to account for assets held on behalf of others in a custodial capacity.

ACCOUNT GROUPS

Account Groups are groups of accounts used to record and control general fixed assets and unmatured general long-term liabilities. Long-term liabilities of proprietary and trust funds should not be accounted for here but should be kept within those individual funds.

11. **General Fixed Assets** – Capital assets that are not assets of any fund, but of the government unit as a whole. Most often these assets arise from the expenditure of the financial resources of governmental funds. The General Fixed Assets Account Group is a self-balancing group of accounts established to account for fixed assets of a government not accounted for through specific proprietary funds or trust funds. The General Fixed Assets Account Group is not a fund; it does not have a balance sheet as such, nor does it report operations. Instead the General Fixed Assets Account Group, which serves as a list of a government's fixed assets, is designed to ensure accountability and management control of the fixed assets.
12. **General Long-Term Debt** – Normally expected to be repaid from governmental funds. The General Long-Term Debt Account Group is used to accumulate the non-current unmatured portion of long-term obligations; it typically reports the following categories of long-term liabilities:
 - a. long-term debt (bonds, notes, capital leases);
 - b. unfunded pensions contributions;
 - c. claims and judgements;
 - d. compensated absences; and
 - e. loss contingencies.

The General Long-Term Debt Account Group is not a fund because it does not account for available financial resources or current obligations. Financial resources are neither accumulated nor expended through the General Long-Term Debt Account Group. This account group simply lists all long-term liabilities that are not presented as liabilities of a specific fund. Long-term liabilities presented in the General Long-Term Debt Account Group are generally backed by the full faith and credit of the issuer, which means the debt is secured by the general credit and revenue raising powers of the issuer rather than by the assets acquired or by specific fund resources.

CLASSIFICATION OF REVENUES AND OTHER SOURCES OF FUNDS

REVENUE CODES

1000 REVENUE FROM LOCAL SOURCES

1100 TAXATION - Compulsory charges levied by the school system to finance services performed for the common benefit.

1110 Ad Valorem Taxes – Gross – Amounts levied on the taxable assessed value of real and personal property on a parish-wide basis. By “gross,” it is meant that the taxes are recorded at the amount actually collected by the tax collector before deduction for the assessor's compensation and/or deduction for amounts remitted to the retirement systems. Penalties and interest on delinquent taxes are recorded in this account.

1111 Constitutional Tax – The tax that is permitted to be levied by a school system under authority of the 1974 Constitution. This tax is in perpetuity; it is not subject to a vote of the electorate. The amount of millage that may be levied varies from parish to parish. This tax is a General Fund revenue.

1112 Renewable Taxes – Taxes that the electorate have authorized the school system to levy for a specified period of time, not to exceed ten (10) years. At the end of the time period specified, the electorate must approve by popular vote an extension, not to exceed ten (10) years, for the tax to be levied again. These taxes may be either General Fund or Special Revenue Fund revenues, depending on their purpose and the manner in which the tax was imposed.

1113 Debt Service Taxes – Taxes that the electorate have authorized the school system to levy for the retirement of general obligation long-term debt. The proceeds are normally placed in the Debt Service Fund.

1114 Up to 1% Collections By the Sheriff On Taxes Other Than School Taxes – The Sheriff and Ex-Officio Tax Collector of each parish is mandated by State law to remit 1% of the total qualifying taxes collected within the parish to the

Teachers Retirement System of Louisiana for the credit of the parish school system. This amount may be obtained annually from the Tax Collector's office. It is recorded by debiting retirement expenditures and crediting this account. This tax is a General Fund revenue.

1130 Sales and Use Taxes – Gross – Taxes assessed by the school system on the taxable sale and consumption of goods and services within the parish. By “gross,” it is meant that the taxes are recorded at the amount actually collected before any deduction for the cost of collection. This tax may be a General Fund, Special Revenue Fund, or Debt Service Fund revenue.

1200 REVENUE FROM LOCAL GOVERNMENTAL UNITS OTHER THAN LEA'S - Revenue from the appropriations of another governmental unit. The LEA is not the final authority, within legal limits, in determining the amount of money to be received; the money is raised by taxes or other means that are not earmarked for school purposes. This classification could include revenue from townships, municipalities, parishes, etc.

1300 TUITION - Revenue from individuals, welfare agencies, private sources and other LEA's for education provided by the LEA.

1310 Tuition From Individuals – Amounts paid by students to attend summer school classes. It is irrelevant whether the students reside inside or outside the parish. This revenue is normally a General Fund revenue.

1320 Tuition From Other LEA's – Amounts paid by public school systems outside the parish to the school system for educational services rendered by the school system to students from the outside parish. This revenue is normally a General Fund revenue.

1390 Tuition From Other Sources – Amounts paid by persons other than individuals and other local education agencies for tuition.

- 1400 TRANSPORTATION FEES** - Revenue from individuals, welfare agencies, private sources, or other LEA's for transporting students to and from school and school activities. Transportation funds received for non-public transportation are to be recorded in 3250 Non-Public Transportation.
- 1410 Transportation Fees From Individuals** – Amounts paid by individual persons for transportation services rendered by the school system. This fee is normally a General Fund revenue.
- 1420 Transportation Fees From Other LEA's** – Amounts paid by other local education agencies for transportation services rendered by the school system. This fee is normally a General Fund revenue.
- 1440 Transportation Fees From Other Sources** – Amounts paid by persons other than individuals and other local education agencies for transportation services rendered by the school system.
- 1500 EARNINGS ON INVESTMENTS** – Revenue from holdings invested for earning purposes. The revenue is credited to the fund that has provided the monies for the investments.
- 1510 Interest On Investments** – Interest revenue on temporary or permanent investment in United States treasury bills, notes, savings accounts, checking accounts, time certificates of deposit, mortgages, or other interest-bearing investments.
- 1540 Earnings On Investment in Real Property** – Revenue received for renting or leasing, royalties, use charges and other income from real property held for investment purposes.
- 1541 Earnings From 16th Section Property** – Amounts charged or received for the use or severance of natural resources from 16th Section properties owned by the school system, including leases under LRS 30:154. This revenue is normally a General Fund revenue.

- 1542 Earnings From Other Real Property** – Amounts charged or received for the use or severance of natural resources from lands other than 16th Section property owned by the school system, including leases under LRS 30:154. This revenue is normally a General Fund revenue.
- 1600 FOOD SERVICE** - Revenues collected by the School Food Service Department for dispensing food to students, adults, and other agencies. This revenue includes funds for “at cost” meals, paying students, contracted meals, and catering revenues.
- 1610 Income From Meals** - Revenues collected by the School Food Service Department for meals served to students, adults, or visitors, contract meals, second meals to students, and "at cost" meals.
- 1620 Income From Extra Meals** - Revenues collected by the School Food Service Department for extra servings, catering services, special functions, or sales of milk and juice.
- 1800 COMMUNITY SERVICE ACTIVITIES** - Charges received from providing community service activities operated by the school system. This fee is a revenue to the fund to which expenditures of operation of the activity are charged.
- 1900 OTHER REVENUES FROM LOCAL SOURCES** - Other revenue from local sources not classified above.
- 1910 Rentals** – Fees charged for the use of school facilities or equipment. These fees are normally a General Fund revenue.
- 1920 Contributions and Donations** – Revenue from philanthropic foundations, private individuals, or private organizations for which no repayment or special service to the contributor is expected. The granting person may require that a special accounting be made of the use of the funds provided, a stipulation that may require the use of a Special Revenue Fund or a Trust Fund.
- 1940 Books and Supplies Sold** – Revenue received from the sale of such materials and supplies. This revenue is normally a General Fund revenue.

- 1950 Services Provided Other LEA's** – Revenues received from other local education agencies other than for tuition and transportation services. This revenue is normally a General Fund revenue.
- 1960 Services Provided Other Local Governments** – Fees charged for services rendered to other units of local government. This fee is normally a General Fund revenue.
- 1970 Services Provided Other Funds** – Interfund charges for services rendered by one fund to another fund. This account would be used with only Internal Service funds.
- 1990 Miscellaneous** – Revenues from other local sources that are not classified above. This revenue is normally a General Fund revenue.
- 1991 Medicaid Reimbursement** – Reimbursement received from the Medicaid program for services rendered to qualifying students under the program. This revenue is normally a General Fund revenue.
- 1992 Kid Med** – Fees or reimbursements received for providing EPSDT services to qualifying students. This revenue is normally a General Fund revenue.
- 1993 Federal E-rate (Gross)** – Reimbursement received as part of the Telecommunications Act of 1996. The federal government set up the Schools and Librarians Universal Service Program with the express purpose of providing affordable access to telecommunications services. This program gives discounts of 20% to 90% on telecommunication services, internet access, and internal connections.
- 1999 Other Miscellaneous Revenues** – Revenues from other miscellaneous sources not classified above.

3000 REVENUE FROM STATE SOURCES

- 3100 UNRESTRICTED GRANTS-IN-AID** – Revenue recorded as grants by the LEA from State funds, which can be used for any legal purpose desired by the LEA without restriction. Separate accounts may be maintained for general grants-in-aid that are not related to specific revenue sources of the state and for those assigned to specific sources of revenue, as appropriate.
- 3110 State Public School Fund** – Monies distributed to Louisiana public school systems under the Minimum Foundation Program (MFP). This revenue is a General Fund revenue.
- 3115 State Public School Fund** – Monies distributed to Louisiana public school systems under the minimum foundation program (MFP) for food services operations. This revenue is an Other Special Funds revenue.
- 3120 16th Section Land Fund Interest** – Interest paid by the State to certain school systems due to the erroneous sale of 16th Section lands during the nineteenth century. The rate of interest is fixed at 4% per annum per LRS 41:641.
- 3190 Other Unrestricted Revenues** – Other funds distributed by the State to the school systems; these funds are not dedicated, or required to be used for specific purposes. This revenue may be General Fund or Special Revenue Fund revenue.
- 3200 RESTRICTED GRANTS-IN-AID** - Revenue recorded as grants by the LEA from State funds; these funds must be used for a categorical or specific purpose. If such money is not completely used by the LEA, it must be returned, usually, to the State.
- 3210 Special Education** – Amounts granted by the State; they are required to be used solely for special education purposes. This revenue may be General Fund or Special Revenue Fund revenue.

- 3220 Education Support Fund** – Amounts granted under the 8(g) Mineral Trust Fund by the Board of Elementary and Secondary Education (B. E. S. E.) to be used for specific purposes stated in the grant application. This revenue may be General Fund or Special Revenue Fund revenue.
- 3223 Sixteenth Section Land Funds (withdrawals)** – Revenue derived from Sixteenth Section indemnity lands. This revenue is held in trust by the Louisiana Department of Treasury for all school districts involved.
- 3225 Adult Education** – Amounts granted by the State under LRS 17:14; it is required that the revenue be used solely for adult education purposes. This revenue may be General Fund or Special Revenue Fund revenue.
- 3230 PIP** – Funds granted by the State to school systems for paying professional improvement program (PIP) salaries to qualifying teachers in the systems. This revenue is normally General Fund revenue.
- 3250 Non–Public Transportation** – Amounts granted by the State for which payment is made to the LEA upon receipt of an agreement between the LEA and the non–public school system to provide transportation of non–public students to non–public schools by the use of the LEA's transportation system. This revenue is normally a General Fund revenue.
- 3255 Non-Public Textbook** – Amounts granted by the State to reimburse LEA's for purchases of textbooks on behalf of non–public schools. This revenue is normally a General Fund revenue.
- 3260 Part C/Infant Toddler (Child Search)** – Funds granted by the State for purposes of ensuring that qualifying Part C –Infant/Toddlers (0–2 year olds) are identified.
- 3290 Other Restricted Revenues** – Other restricted revenues received from the State, other than those described above; these funds must be used for a categorical or specific purpose.

3800 REVENUE IN LIEU OF TAXES - Commitments or payments made out of general

revenues by a State to the LEA in lieu of taxes it would have had to pay had its property or other tax base been subject to the taxation by the LEA on the same basis as privately owned property. It would include payment made for privately owned property that is not subject to taxation on the same basis as other privately owned property due to action by the State.

3810 Revenue Sharing – Constitutional Tax – Funds appropriated annually by the State Legislature to fulfill its constitutional obligation to compensate local school systems partially for tax revenue lost due to homestead exemptions on the constitutional Ad Valorem tax. This revenue is normally General Fund revenue.

3815 Revenue Sharing – Other Taxes – Funds appropriated annually by the State Legislature to fulfill its constitutional obligation to compensate local school systems partially for tax revenue lost due to homestead exemptions on Ad Valorem taxes other than the constitutional Ad Valorem tax. This revenue is normally revenue to the fund associated with the particular Ad Valorem tax.

3820 Revenue Sharing – Excess Portion – A distribution made by the Tax Collector to qualifying taxing authorities with remaining State revenue – sharing funds after all other required distributions have been made. This revenue is normally General Fund revenue.

3890 Other Revenue in Lieu of Taxes – Other commitments or payments made by the State in lieu of taxes.

3900 REVENUE FOR/ON BEHALF OF LEA - Commitments or payments made by a State for the benefit of the LEA, or contributions of equipment or supplies. Such revenue includes the payment to a pension fund by the State on behalf of an LEA employee for services rendered to the LEA and a contribution of fixed assets by a State unit to the LEA.

3910 Employer's Contribution to Teachers Retirement - Direct payments made by the State to the Teachers Retirement System for persons receiving PIP salaries. It is recorded by debiting retirement expenditures and crediting this account. This revenue is a General Fund Revenue.

3990 Other Revenue for/on Behalf of the LEA – Other commitments or payments made by the State for the benefit of the LEA.

4000 FEDERAL SOURCES

- 4100 UNRESTRICTED GRANTS-IN-AID DIRECT FROM THE FEDERAL GOVERNMENT** - Revenues direct from the Federal Government as grants to the LEA; this revenue can be used for any legal purpose desired by the LEA, without restriction.
- 4110 Impact Aid Fund** – Amounts paid directly by the Federal Government to the LEA to supplement the education of children from families stationed at military bases who attend the LEA's public schools under P. L. 81–874. This revenue is normally a General Fund Revenue.
- 4190 Other Unrestricted Grants** – Direct – Other revenues direct from the Federal Government other than those programs described above.
- 4200 UNRESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE STATE** - Revenues from the Federal Government through the State as grants that can be used for any legal purpose desired by the LEA, without restriction.
- 4210 Flood Control** – Amounts received from the Federal Government and distributed by the State for flood control to the LEA.
- 4290 Other Unrestricted Grants Through State** – Other revenues received from the Federal Government through the State other than those classified above.
- 4300 RESTRICTED GRANT-IN-AID DIRECT FROM THE FEDERAL GOVERNMENT** - Revenue direct from the Federal Government as grants to the LEA; the revenue may be used for a categorical or specific purpose. If such money is not completely used by the LEA, it usually is returned to the governmental unit.
- 4310 Federally Affected Areas** – Capital Outlay (P. L. 81–815) – Amounts paid directly by the Federal Government to the LEA for purchase of capital assets under provisions of P. L. 81–815. This revenue is normally a Special Revenue Fund revenue, since an accounting must be made to demonstrate appropriate use of the proceeds received.

- 4320 Vietnamese and Refugee Program Fund** – The Vietnamese and Refugee Program Fund accounts for a program that provides financial assistance to State and local educational agencies to meet special education needs of eligible refugee children enrolled in elementary and secondary schools.
- 4330 ROTC** – Amount paid directly to the LEA for operation of a Reserve Officer Training Corps (ROTC) program at schools in the district. This is revenue to the fund that pays the expenditures of the ROTC program.
- 4340 Headstart Program** – Amount paid directly to the LEA for operation of the Headstart program in the district. This is revenue to the fund that pays the expenditures of the Headstart program.
- 4390 Other Restricted Grants – Direct** – Funds received from the Federal Government other than those shown above.
- 4500 RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE STATE** - Revenues from the Federal Government through the State as grants to the LEA; this revenue must be used for a categorical or specific purpose.
- 4510 Vocational Education** – Federal funds granted to the local education agency and administered by the State under the Carl D. Perkins Vocational Act Education Program. These monies are reimbursement type grants.
- 4515 School Food Service** – All Federal funds administered by the State and granted to the School Food Service Department for subsidies for all student meals in the National School Lunch and School Breakfast Programs, Summer Food Service Program, Child and Adult Care Food Program, and the Nutrition, Education, and Training Program. This revenue also includes funds from the Cash in Lieu of Commodities Program. The value of USDA commodities received should be recorded in 4220 Value of USDA Commodities.

- 4520 Adult Basic Education** – All Federal funds administered by the State and granted to the LEA for purposes of providing Adult Basic Education (ABE).
- 4530 Special Education** – All Federal funds administered by the State and granted to the LEA for students identified as being mentally or physically disabled.
- 4531 IDEA–Part B** – Federal funds administered by the State and granted to the LEA for special education purposes under the Individuals with Disabilities Education Act (IDEA). This revenue is generally a Special Revenue Fund revenue.
- 4532 IDEA–Preschool** – Federal funds administered by the State and granted to the LEA for all pre–school special education children under the Individuals with Disabilities Education Act (IDEA). This revenue is generally a Special Revenue Fund revenue.
- 4533 IASA** – Federal funds administered by the State and granted to the LEA under the Title 1 program for handicapped children under the Improving America’s Schools Act (IASA). This revenue is generally a Special Revenue Fund revenue.
- 4534 IDEA Part c –Infant/Toddler** – Federal funds administered by the State and granted to the LEA for all children ages 0–2. This revenue is generally a Special Revenue Fund revenue.
- 4535 Other Special Education Programs** – All other Federally-funded program grants administered by the State and granted to the LEA for special education purposes, other than those described above. This revenue is generally a Special Revenue Fund revenue.
- 4540 Improving America’s Schools Act (IASA)** – Federal funds administered by the State and granted to the LEA for programs for economically and educationally deprived school children.
- 4541 Title I Grants to Local Educational Agencies** – Federal funds administered by the State to provide a program for economically and educationally deprived children; the funds

supplement rather than supplant activities that are state or locally mandated. This revenue is normally a Special Revenue Fund revenue.

- 4542 Title I, Part C – Migrant Education Basic State Grant Program** – Federal funds administered by the State to provide programs to meet the special education needs of children of migratory agricultural workers and migratory fishers, needs that have resulted from their migratory lifestyles or history.
- 4543 Title VI Innovative Education Program Strategies** – Federal funds administered by the State to provide various types of programs that the school board may institute with the approval of the State Department of Education. This revenue is normally a Special Revenue Fund revenue.
- 4544 Title IV – Safe and Drug Free Schools and Communities State Grants** – Federal funds administered by the State to educate children to prevent drug abuse. This revenue is normally a Special Revenue Fund revenue.
- 4545 Title II – Eisenhower Professional Development State Grants** – Federal funds administered by the State to provide financial assistance to improve the skills of teachers in mathematics and science. This revenue is normally a Special Revenue Fund revenue.
- 4546 Other IASA Programs** – All other Federally-funded program grants administered by the State and granted to the LEA under the improving America’s Schools Act other than those described above. This revenue is generally a Special Revenue Fund revenue.
- 4550 Job Training Partnership Act (JTPA)** – Federal funds administered by the State under the Job Training Partnership Act Program. This revenue is normally a Special Revenue Fund revenue.

4580 FEMA – Disaster Relief – Federal funds administered by the State to provide financial assistance to an LEA for repairs and/or rebuilding necessary after a natural disaster.

4585 Starting Points Program – Federal funds administered by the State to provide financial assistance for pre–school programs designed to provide quality education to children whose parents are enrolled in job-training programs.

4590 Other Restricted Grants Through State – Federal funds administered by the State other than those shown above.

4800 REVENUE IN LIEU OF TAXES - Commitments or payments made out of general revenues by the Federal Government to the LEA in lieu of taxes it would have had to pay had its property or other tax base been subject to taxation by the LEA on the same basis as privately owned property or other tax base. Such revenue would include payment made for privately owned property that is not subject to taxation on the same basis as other privately owned property because of action by the Federal Governmental unit.

4810 Loss of Taxes Because of Federal Housing Projects – Federal payments in lieu of taxes made directly to the LEA because of the existence of a Federally-funded housing project in the district, the location of which causes a loss of Ad Valorem tax revenue. This revenue is normally pro–rated to the funds that record the affected Ad Valorem tax revenues.

4820 Sale of Timber, etc., On Federal Forest Reserves – Federal payments in lieu of taxes made directly to the LEA because of the existence of a federal forest reserve in the district and for which the Federal Government has agreed to share a portion of the revenues derived from the sale of timber or other products contained thereon. This revenue is normally a General Fund Revenue.

4890 Other Revenue in Lieu of Taxes – Other revenue in lieu of taxes made directly to the LEA, other than those described above.

4900 REVENUE FOR/ON BEHALF OF THE LEA - Commitments or payments made by the Federal Government for the benefit of the LEA, or contributions of equipment or supplies. Such revenue includes a contribution of fixed assets by a Federal governmental unit to the LEA and foods donated by the Federal Government to the LEA.

4910 Nonfood Assistance – Federal assistance received in terms of non–cash and non–food type items granted directly to the LEA. This revenue is recorded by debiting the appropriate expenditure account that would have been charged had the LEA purchased the particular item and by crediting this account.

4920 Value of USDA Commodities – Federal assistance received by the School Food Service Department in terms of the stated value of United States Department of Agriculture commodities. This revenue is recorded by debiting the appropriate food account and by crediting this account.

4990 Other Revenues for/on Behalf of the LEA – Other commitments or payments made by the Federal Government for the benefit of the LEA or contributions of equipment or supplies, other than those described above.

5000 OTHER SOURCES OF FUNDS

5100 SALE OF BONDS - The proceeds from the sale of bonds.

5110 Bond Proceeds – Principal received through the issuance of a debt instrument by the LEA. This revenue is normally accounted for in the fund that will expend the proceeds from the debt issuance (e.g., Capital Projects Funds).

5120 Accrued Interest and Premium on Bonds Sold – Amounts received for accrued interest from the sale of bonds and/or that portion of the sales price of bonds in excess of their par value. This revenue is normally credited to the fund that is responsible for payment of the principal and interest on the debt.

5200 INTERFUND TRANSFERS - Amount available from another fund that will not be replaced.

- 5210 Transfer of Indirect Costs** – Amounts of indirect costs transferred from direct federal grants, usually to the General Fund.
- 5220 Operating Transfers In** – Interfund transfers made by the LEA from one fund to another that does not carry a corresponding obligation on the receiving fund to repay the amount to the paying fund. This account is credited by the receiving fund, while the paying fund debits Fund Transfers Paid in the Other Use of Funds Section.
- 5300 SALE OR COMPENSATION FOR LOSS OF FIXED ASSETS** - Amounts available from the sale of school property or compensation for the loss of fixed assets.
- 5310 Sale of Surplus Items/Fixed Assets** – Amounts received by the LEA for the sale of land, buildings, improvements, furniture or equipment. This revenue is normally revenue to the fund which had originally purchased the fixed assets.
- 5320 Insurance Proceeds from Losses** – Amounts received by the LEA from an insurance company to compensate for the fire, theft, or other casualty to fixed assets. This revenue is normally revenue to the fund that had originally purchased the items.
- 5330 Collection for Lost or Damaged Textbooks** – Amounts received by the LEA from students (or parents) for textbooks that have been lost or stolen. This revenue is normally revenue to the fund that originally purchased textbooks.
- 5400 LOANS** - Proceeds from loans greater than twelve (12) months.
- 5500 CAPITAL LEASE** - Amount equal to the present value of minimum lease payments arising from capital lease agreements entered into by the LEA. This revenue is recorded by debiting the associated expenditures account and by crediting this account. Corresponding entries should be made in the General Fixed Asset and General Long–Term Debt Account Groups.

5600 JUDGMENTS – Amounts received as a result of a court order or judgment in favor of the LEA. This revenue is normally a revenue to the fund that expended monies to rectify the claim or paid the associated legal fees relative to the action that gave rise to the favorable judgment.

CLASSIFICATION OF EXPENDITURES AND OTHER USES OF FUNDS

OBJECT CODES

This dimension is used to describe the service or commodity obtained as the result of a specific expenditure. There are nine major object categories, each of which is further subdivided. Listed below are definitions of the object classes and selected sub-object categories.

100 SALARIES - Amounts paid to both permanent and temporary LEA employees, including personnel substituting for those in permanent positions. This expenditure includes gross salary for personal services rendered while on the payroll of the LEA's.

110 SALARIES OF REGULAR EMPLOYEES - Full-time, part-time, and prorated portions of the costs for work performed by permanent employees of the LEA.

111 Officials/Administrators/Managers – These are occupations requiring administrative personnel who set broad policies, exercise overall responsibility for execution of these policies, or direct individual departments or special phases of the school system. Included in this category are superintendents of schools; assistant, deputy and associate superintendents; instructional coordinators, supervisors and directors; principals and assistant principals; and school business officials.

112 Teachers – Staff members assigned the professional activities of instructing pupils in courses in classroom situations for which daily-pupil attendance figures for the school system are kept. Included in this category are music, band, physical education, home economics, librarians, special education, etc.

113 Therapists/Specialists/Counselors – Staff members responsible for teaching or advising pupils with regard to their abilities and aptitudes, educational and occupational opportunities, personal and social adjustments. Included in this category are speech therapists, occupational therapists, physical therapists, guidance counselors, psychologists, social workers, assessment teachers/diagnosticians, and instructional specialists.

114 Clerical/Secretarial – These are occupations requiring skills and

training in all clerical-type work including activities such as preparing, transcribing, systematizing, or preserving written communication and reports, or operating such mechanical equipment as bookkeeping machines, typewriters and tabulating machines. Included in this category are bookkeepers, messengers, office machines operators, clerk-typist, stenographers, statistical clerks, dispatchers, and payroll clerks.

115 Aides – Staff members working with students under the direct supervision of a classroom teacher or under the direct supervision of a staff member performing professional-educational-teaching assignments on a regular schedule. Included in this category are teacher aides, library aides, bus aides, etc.

116 Service Workers – Staff members performing a specialized service; included in this category are cafeteria workers, bus drivers, school security guards, custodians, etc.

117 Skilled Crafts – Occupations in which workers perform jobs that require special manual skill and a thorough and comprehensive knowledge of the process involved in the work, which is acquired through on-the-job training and experience or through apprenticeship or other formal training programs. Included in this category are mechanics, electricians, heavy equipment operators, carpenters, etc.

118 Degreed Professionals – Occupations requiring a high degree of knowledge and skills acquired through at least a baccalaureate degree or its equivalent. This classification normally includes nurses, architects, lawyers, accountants, etc.

119 Other Salaries – Other staff members other than those classified above.

120 SALARIES OF TEMPORARY EMPLOYEES - Full-time, part-time, and prorated portions of the costs for work performed by employees of the LEA who are hired on a temporary or substitute basis.

121 Acting Employee – The cost of work performed by a person who is temporarily taking over the duties or position of a regular employee.

- 122 **Seasonal Employee** – The cost of work performed by a person who is hired on a temporary basis usually not more than five months; the employment is affected by or dependent on a certain time of year.
- 123 **Substitute Employee** – The cost of work performed by a person who is hired on a day–by–day basis in place of a regular employee.
- 129 **Other Temporary Employee** – Temporary employees other than those classified above.
- 130 **SALARIES FOR OVERTIME** - Amounts paid to employees of the LEA in either temporary or permanent positions for work performed in addition to the normal work period for which the employee is compensated under regular salaries and temporary salaries above. The terms of such payment for overtime are a matter of State and local regulations and interpretation.
- 140 **SALARIES FOR SABBATICAL LEAVE** - Amounts paid by the LEA to employees on sabbatical leave.
- 150 **STIPEND PAY** - A one–time payment or allowance to regular employees to attend workshops or in service training programs.
- 200 **EMPLOYEE BENEFITS** - Amounts paid by the LEA on behalf of employees; these amounts are not included in the gross salary, but are in addition to that amount. Such payments are fringe benefit payments and, while not paid directly to employees, are, nevertheless, part of the cost of personal services. Such amounts must be distributed to each function according to the employee's assignment.
- 210 **GROUP INSURANCE** - Employer's share for current employees of any insurance plan. Group insurance for retirees should be reported under object code 270: Health Benefits.
- 220 **SOCIAL SECURITY CONTRIBUTIONS** - Employer's share of Social Security paid by the LEA. (FICA)
- 225 **MEDICARE/MEDICAID CONTRIBUTIONS** - Employer's share of Medicare/Medicaid paid by the LEA.

- 230 RETIREMENT CONTRIBUTION** - Employer's share of any State or local employee retirement system paid by the LEA, including the amount paid for employees assigned to federal programs.
- 231 Louisiana Teachers' Retirement System Contributions (TRS)**
- 233 Louisiana School Employees' Retirement System Contributions (LSERS)**
- 235 Louisiana Parochial School Employees' Retirement System Contributions (LPERS)**
- 239 Other Retirement Contributions**
- 240 TUITION REIMBURSEMENT** - Amounts reimbursed by the LEA to any employee qualifying for tuition reimbursement based upon LEA policy.
- 250 UNEMPLOYMENT COMPENSATION** - Amounts paid by the LEA to provide unemployment compensation for its employees.
- 260 WORKMEN'S COMPENSATION** - Amounts paid by the LEA to provide workmen's compensation insurance for its employees.
- 270 HEALTH BENEFITS** - Amounts paid by the LEA to provide health benefits for employees now retired and for whom benefits are paid.
- 280 SICK LEAVE SEVERANCE PAY** - Amounts of unused sick leave paid by the LEA to its employees upon their retirement.
- 290 OTHER EMPLOYEE BENEFITS** - Employee benefits other than those classified above.
- 300 PURCHASED PROFESSIONAL AND TECHNICAL SERVICES** - Services which, by their nature, can be performed only by persons or firms with specialized skills and knowledge. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided.
- 310 PURCHASED OFFICIAL/ADMINISTRATIVE SERVICES** - Services in support of the various policy-making and managerial activities of the LEA. Included would be management consulting activities oriented to general governance or business and financial management of the LEA; school management support activities; election and tax assessing and

collecting services. This object code is usually used with functions 2300 General Administration and 2400 School Administration.

- 311 Assessor Fees** – Money paid to the tax assessor, who assesses property for taxation.
- 312 Sheriff Fees** – Money paid to the local sheriff, who is charged with the collection and remittance of property taxes to the LEA.
- 313 Pension Fund** – Monies deducted from the proceeds of property taxes for the payment of all pensions into the Pension Accumulation Fund (L. R. S. 17:696).
- 314 Sales Tax Collection Fees** – Money paid to another individual or other governmental body charged with the collection and remittance of sales and use taxes.
- 315 State Tax Commission Fees** – Money paid to the Louisiana Tax Commission pursuant to a judgment upheld by the courts against a company that files suit to contest the correctness or legality of any final determination of its assessed valuation for taxation. The fee is an amount equal to ten percent (10%) of the proceeds received (L. R. S. 47:1856f).
- 316 Election Fees** – Money paid to other governmental agencies for expenses related to the election of school board members, as well as elections for the purpose of collecting tax revenues.
- 317 Management Consultants** – Money paid to an individual or firm to study and evaluate the activities of the school system.
- 319 Other Fees** – Official and administrative services other than those classified above.
- 320 PURCHASED EDUCATIONAL SERVICES** - Services supporting the instructional program and its administration. Included would be curriculum improvement services, counseling and guidance services, library and media support, and contracted instructional services. Also included would be payments to speakers to make presentations at workshops and in service training programs. This object code is usually used with functions 1000 Instruction, 2100 Pupil Support Services, and 2200 Instructional Staff

Services.

- 330 OTHER PURCHASED PROFESSIONAL SERVICES** - Professional services which support the operation of the LEA other than educational services. Included are medical doctors, lawyers, architects, auditors, accountants, therapists, audiologists, dieticians, editors, negotiations specialists, systems analysts, planners, and the like. This object code is usually used with function 2000 Support Services.
- 331 Occupational/Physical Therapist Services** – Professional services contracted or paid by the LEA for treatment of an injury by physical activity rather than with drugs or for the treatment of mental ailments by work designed to divert the mind.
- 332 Legal Services** – Professional services contracted or paid by the LEA to defend itself against lawsuits and to assist the LEA's in conforming with the law.
- 333 Audit/Accounting Services** – Professional services contracted or paid by the LEA to examine and check the financial operations of the school system, as well as to provide assistance in keeping, analyzing and explaining accounts.
- 334 Architect/Engineering Services** – Professional services contracted or paid by the LEA to design buildings, to draw up the plans, and generally to supervise the construction.
- 335 Medical Doctors** – Professional services contracted or paid by the LEA to provide medical services such as a physical for employees or for students that want to participate in athletics.
- 339 Other Professional Services** – Professional services other than those classified above.
- 340 PURCHASED TECHNICAL SERVICES** - Services to the LEA which are not regarded as professional, but which require basic scientific knowledge, manual skills, or both. Included are data processing services, banking services, purchasing and warehousing services, graphic arts and the like. This object code is used usually with functions 1000 Instruction and 2000 Support Services.

- 400 PURCHASED PROPERTY SERVICES** - Services purchased to operate, repair, maintain, and rent property owned or used by the LEA. These services are performed by persons other than LEA employees. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided.
- 410 UTILITY SERVICES** - Expenditures for utility services other than energy services supplied by public or private organizations. Water and sewerage are included here. Telephone and telegraph are not included here, but are classified under object 530 Telephone and Postage. This object code is used with only function 2600 Operations and Maintenance of Plant Services.
- 411 Water/Sewage** – Expenditures for water/sewage utility services from a private or public utility company.
- 420 CLEANING SERVICES** - Services purchased to clean buildings (apart from services provided by LEA employees). This object code is used with only function 2600 Operations and Maintenance of Plant Services.
- 421 Disposal Services** – Expenditures for garbage pickup and handling not provided by LEA personnel.
- 422 Snow Plowing Services** – Expenditures for snow removal not provided by LEA personnel.
- 423 Custodial Services** – Expenditures to an outside contractor for custodial services.
- 424 Lawn Care** – Expenditures for lawn and grounds upkeep, minor landscaping, nursery services and the like not provided by LEA personnel.
- 430 REPAIRS AND MAINTENANCE SERVICES** - Expenditures for repairs and maintenance services not provided directly by LEA personnel. This expenditure includes contracts and agreements covering the upkeep of buildings, upkeep of equipment, including computers and related technology, and portable building relocation expenses. Costs for renovating and remodeling are not included here but are classified under object 450 Construction Services.
- 440 RENTALS** - Costs for renting or leasing land, buildings, equipment, and

vehicles.

- 441 Renting Land and Buildings** – Expenditures for leasing or renting land and buildings for both temporary and long-range use by the LEA. This object code is used with function 2600 Operations and Maintenance of Plant Services or other appropriate programs.
- 442 Rental of Equipment and Vehicles** – Expenditures for leasing or renting equipment or vehicles for both temporary and long-range use by the LEA. This expenditure includes bus and other vehicle rental when operated by a local LEA, lease-purchase arrangements, and similar rental agreements. This object code is usually used with function 1000 Instruction or 2000 Support Services, and appropriate program code.
- 450 CONSTRUCTION SERVICES** – Expenditures for constructing, renovating and remodeling paid to contractors. This object code includes the installation of new phone lines or cable to provide Internet access. It is used only with functions 4500 Building Acquisition and Construction Services, and 4600 Building Improvement Services.
- 490 OTHER PURCHASED PROPERTY SERVICES** - Purchased property services that are not classified above. Costs for telephone and telegraph are not included here, but are included in object 530 Telephone and Postage. This object code is used usually with function 2600 Operations and Maintenance of Plant Services.
- 500 OTHER PURCHASED SERVICES** - Amounts paid for services rendered by organizations or personnel not on the payroll of the LEA (separate from professional and technical services or property services). While a product may or may not result from the transaction, the primary reason for the purchase is the service provided.

- 510 STUDENT TRANSPORTATION SERVICES** - Expenditures for transporting children to and from school and other activities. This object code is used with only function 2700 Student Transportation Services.
- 511 Student Transportation Purchased from Another LEA within the State** – Amounts paid to other LEAs within the state for transporting children to and from school and school–related events. Expenditures for the rental of buses that are operated by personnel on the LEA payroll are recorded not here, but under object code 442 Rental of Equipment and Vehicles.
- 512 Student Transportation Purchased from Another LEA outside the State** – Payments to other LEAs outside the State for transporting children to and from school and school–related events.
- 513 Payments in Lieu of Transportation** – Payments to individuals who transport themselves or their own children or for reimbursement of transportation expenses on public carriers.
- 519 Student Transportation Purchased from other Sources** – Payments to persons or agencies other than LEAs for transporting children to and from school and school–related events.
- 520 INSURANCE (OTHER THAN EMPLOYEE BENEFITS)** - Expenditures for all types of insurance coverage, including property, liability, and fidelity. Insurance for group health should be recorded under object 200 Employee Benefits.
- 521 Liability Insurance** – Insurance that pays and renders service on behalf of the LEA for loss arising out of its responsibility, due to negligence, to others as imposed by law or assumed by contract.
- 522 Property Insurance** – Insurance that indemnifies the LEA with an interest in physical property for its loss or the loss of its income producing ability.
- 523 Fleet Insurance** – Insurance that protects the LEA against any physical damage to its vehicles, property damage, liability and/or other coverages.
- 524 Errors and Omissions Insurance** – Professional liability insurance

that protects the LEA against legal liability resulting from negligence, errors and omissions, and other aspects of rendering or failing to render professional service. It does not cover fraudulent, dishonest or criminal acts.

525 Faithful Performance Bonds – A bond that will reimburse the LEA for loss up to the amount of the bond, sustained by the LEA by reason of any dishonest act of an employee or employees covered by the bond.

529 Other Insurance – Payments for insurance other than those classified above.

530 TELEPHONE AND POSTAGE - Expenditures for services provided by persons or businesses to assist in transmitting and receiving messages or information. This category includes telephone and telegraph services, postage machine rental and postage, and Internet access charges via telephone lines or cable. This object code is used usually with functions 2300 General Administration or 2400 School Administration.

540 ADVERTISING - Expenditures for announcements in professional publications, newspapers or broadcasts over radio and television. These expenditures include advertising for such purposes as personnel recruitment, legal ads, new and used equipment, and sale of property. Costs for professional advertising or public relations services should be charged to object 330 Other Purchased Professional Services. This object code is used usually with functions 2300 General Administration, 2500 Business Services, or 2800 Central Services.

550 PRINTING AND BINDING - Expenditures for job printing and binding, usually according to specifications of the LEA. This expenditure includes designing and printing forms and posters as well as printing and binding LEA publications. Pre-printed standard forms should be recorded under object 610 Materials and Supplies. This object code is used usually with function 2500 Business Services.

- 560 TUITION** - Expenditures to reimburse other educational agencies for providing instructional services for students residing within the legal boundaries of the paying LEA. This object code is used with only function 1000 Instruction.
- 561 Tuition to Other in State LEA's** – Tuition paid to other LEAs within the state.
- 562 Tuition to Other LEAs Outside the State** – Tuition paid to other LEAs outside the state.
- 563 Tuition to Private Sources** – Tuition paid to private schools.
- 564 Tuition to Intermediate Education Agencies within the State.**
- 565 Tuition to Intermediate Education Agencies outside the State.**
- 569 Other Tuition** – Tuition paid to other governmental organizations as reimbursement for providing specialized instructional services to students residing within the boundaries of the paying LEA.
- 570 FOOD SERVICE MANAGEMENT** - Expenditures for the operation of a local food service facility by other than employees of the LEA. Included are contracted services, such as food preparation, associated with the food service operation. Direct expenditures by the LEA for food, supplies, labor and equipment would be charged to the appropriate object codes. This object code is used with only function 3100 Food Service Operations.
- 580 TRAVEL** - Expenditures for transportation, meals, hotel, and other expenses associated with staff travel for the LEA. Payments for per diem in lieu of reimbursements for subsistence (room and board) also are charged here. This object code is used with all functions except 5000 Other Sources of Funds.
- 581 Mileage Allowance** – A sum of money granted at stated intervals for travel expenses in lieu of reimbursement for actual travel expenses.
- 582 Travel Expense Reimbursement** – A sum of money paid for travel expenses at a specified amount per mile plus actual reimbursement for meals, hotel and other expenses.

583 Operational Allowance – A sum of money granted to those individuals at stated intervals for the operation and maintenance of a vehicle.

590 MISCELLANEOUS PURCHASED SERVICES - Expenditures for purchased services other than those described above. Any inter–district payments other than tuition should be classified here.

591 Services Purchased Locally – Expenditures for purchased services not otherwise classified in the 300 Purchased Professional and Technical Services, 400 Purchased Property Services, or 500 Other Purchased Services series of objects. This object code is used with all functions except 5000 Other Sources of Funds.

592 Services Purchased from Another LEA within the State – Payments to another LEA within the state for services rendered, other than tuition and transportation fees. Examples of such services are data processing, purchasing, nursing and guidance. When a question arises as to whether to code such payments to the 300 series of object code, purchased professional and technical services, or to this code, 592 should be used so that all inter–district payments can be eliminated when consolidating reports from multiple LEA's at state and federal levels. This code is used with only function 2000 Support Services.

593 Services Purchased from Another LEA outside the State – Payments to another LEA outside the state for services rendered, other than tuition and transportation fees. Examples of such services are data processing, purchasing, nursing and guidance. When a question arises as to whether to code such payments to the 300 series of object codes or to this code, 593 Services Purchased from Another LEA within the State should be used so that all inter–district payments can be eliminated when consolidating reports at the federal level. This object code is used with only function 2000 Support Services.

- 600 SUPPLIES** - Amounts paid for items that are consumed, worn out, or deteriorated through use; or for items that lose their identity through fabrication or incorporation into different or more complex units or substances. Refer to the criteria for distinguishing between a supply and an equipment item.
- 610 MATERIALS AND SUPPLIES** - Expenditures for all supplies (other than those listed below) for the operation of an LEA, including freight and cartage. A more thorough classification of supply expenditures is achieved by identifying the object with the function: for example, audiovisual supplies or classroom teaching supplies. This object code is used with all functions except 5000 Sources of Funds.
- 620 ENERGY** - Expenditures for energy – including gas, oil, coal, gasoline, and services received from public or private utility companies.
- 621 Natural Gas** – Expenditures for gas utility services from a private or public utility company. This object code is used with functions 1000 Instruction, 2600 Operations and Maintenance of Plant Services, and 3100 Food Services Operations.
- 622 Electricity** – Expenditures for electric utility services from a private or public utility company. This object code is used usually with functions 1000 Instruction, and 2600 Operations and Maintenance of Plant Services.
- 623 Bottled Gas** – Expenditures for bottled gas, such as propane gas received in tanks. This object code is used with functions 1000 Instruction, 2600 Operations and Maintenance of Plant Services, and 3100 Food Services Operations.
- 624 Oil** – Expenditures for bulk oil normally used for heating. This object code is used only with function 2600 Operations and Maintenance of Plant Services.
- 625 Coal** – Expenditures for raw coal normally used for heating. This object code is used with only function 2600 Operations and Maintenance of Plant Services.

- 626 Gasoline** – Expenditures for gasoline purchased in bulk or periodically from a gasoline service station. This object code is used usually with functions 2600 Operations and Maintenance of Plant Services and 2700 Student Transportation Services.
- 629 Other** – Expenditures for energy that cannot be classified in one of the foregoing categories.
- 630 FOOD** - Expenditures for food used in the school food service program. This object code is used only with function 3100 Food Services Operations. Food used in instructional programs is charged under object code 610 Materials and Supplies.
- 631 Purchased Food** – Food that is purchased from vendors rather than food received from the U.S. Department of Agriculture.
- 632 Commodities** – Food that is passed through the State Department of Agriculture from the U.S. Department of Agriculture.
- 640 BOOKS AND PERIODICALS** - Expenditures for books, textbooks and periodicals prescribed and available for general use, including reference books. This category includes the cost of workbooks, textbook binding or repairs, as well as textbooks that are purchased to be resold or rented. Also recorded here are the costs of binding or other repairs to school library books. This object code is used with all functions except 5000 Other Use of Funds.
- 641 Library Books** – A collection of books systematically arranged for reading or reference.
- 642 Textbooks** – A book giving instructions in the principles of a subject of study or any book used as the basis or partial basis of a course of study.
- 643 Workbooks** – A book for the use of students. It contains questions and exercises based on a textbook or course of study.
- 644 Periodicals** – A publication appearing at regular intervals of more than one day, as a weekly magazine.

- 700 PROPERTY** - Expenditures for acquiring fixed assets, including land or existing buildings; improvements of grounds; initial equipment; additional equipment; and replacement of equipment.
- 710 LAND AND IMPROVEMENTS** - Expenditures for the purchase of land and the improvements thereon. Purchases of air rights, mineral rights and the like are included here. Also included are special assessments against the LEA for capital improvements such as streets, curbs and drains. Not included here, but generally charged to object codes 450 Construction Services or 340 Technical Services, as appropriate, are expenditures for improving sites and adjacent ways after acquisition by the LEA. This object code is used only with functions 4100 Site Acquisition Services and 4200 Site Improvement Services.
- 720 BUILDINGS** - Expenditures for acquiring existing buildings. Included are expenditures for installment or lease payments (except interest) that have a terminal date and that result in the acquisition of buildings, except payments to public school–housing authorities or similar agencies. This object code is used only with function 4500 Building Acquisition and Construction Services. Expenditures for the contracted construction of buildings, for major permanent structural alterations, and for the initial or additional installation of heating and ventilating systems, fire protection systems, and other service systems in existing buildings are recorded under object code 450 Construction Services. Buildings built and alterations performed by the LEAs own staff are charged to object code 100 Salaries, 200 Employee Benefits, 610 Materials and Supplies, and 730 Equipment, as appropriate.
- 730 EQUIPMENT** - Expenditures for initial, additional, and replacement items of equipment, such as machinery, furniture and fixtures, computers and vehicles. Refer to the criteria for distinguishing between a supply and an equipment item.
- 731 Machinery** – Expenditures for equipment usually composed of a complex combination of parts (excluding vehicles). An example would be a lathe, drill press, or printing press.
- 732 Vehicles** – Expenditures for equipment used to transport persons or objects. Examples are automobiles, trucks, buses, station wagons, and vans.
- 733 Furniture and Fixtures** – Expenditures for equipment used for

sitting; as a support for writing and work activities; and as storage space for material items. This object code is used with all functions, except 5000 Other Use of Funds.

739 Other Equipment – Expenditures for all other equipment not classified elsewhere in the 730 Equipment.

740 DEPRECIATION - The portion of the cost of a fixed asset that is charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is apportioned over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the cost of the asset is ultimately charged off as an expense. In accordance with GAAP, using depreciation is required in proprietary funds only.

800 OTHER OBJECTS - Amounts paid for goods and services not otherwise classified above.

810 DUES AND FEES - Expenditures or assessments for membership in professional or other organizations or payments to a paying agent for services rendered. This object code is used with functions 1000 Instruction and 2000 Support Services.

820 JUDGMENTS AGAINST THE LEA - Expenditures from current funds for all judgments (except as indicated below) against the LEA that are not covered by liability insurance, but are of a type that might have been covered by insurance. Only amounts paid as the result of court decisions are recorded here. Judgments against the LEA resulting from failure to pay bills or debt service are recorded under the appropriate expenditure accounts, as though the bills or debt service had been paid when due. This object code is used with function 2300 General Administration.

830 INTEREST - Expenditures for interest on bonds or notes. This object code is used with function 2500 Business Services and 5100 Debt Service.

- 840 CONTINGENCY** - This account is provided for budgeting appropriations. Expenditures to be paid from the contingency should be charged to the appropriate function and object classification. This object code is used with function 2300 General Administration or may be used with all functions except 5000 Other Use of Funds.
- 890 MISCELLANEOUS EXPENDITURES** - Amounts paid for goods or services not properly classified in one of the objects included above. Refunds of prior year's expenditures are charged to this account.
- 900 OTHER USES OF FUNDS** - This series of object codes is used to classify transactions that are not properly recorded as expenditures to the LEA but require budgetary or accounting control. These transactions include redemption of principal and interest on long-term debt, housing authority obligations, and fund transfers.
- 910 REDEMPTION OF PRINCIPAL** - Outlays from current funds to retire serial bonds and long-term loans. This object code is used with only function 5100 Other Uses of Funds.
- 915 PAYMENTS TO ESCROW AGENT** - Funds transferred to an escrow agent to be held in trust for the repayment of refinanced bonds.
- 920 HOUSING AUTHORITY OBLIGATIONS** - Outlays from current funds to satisfy housing authority obligations of the LEA. A public school housing authority is a public or quasi-public corporation having power to issue authority bonds for public school purposes, construct public school buildings, lease public school buildings to local public school administrative units, or transfer title to such units. All expenditures of this nature are classified in this category. This object code is used with function 5100 Other Uses of Funds.
- 930 INTERFUND TRANSACTIONS** - Transactions between funds that should not be classified as an expenditure. This object code is used with all functions.
- 931 Residual Equity Transfers** – Nonrecurring or non-routine transfers of equity between funds: for example, the transfer of residual balances of discontinued funds to the General Fund or Debt Service Fund.
- 932 Operating Transfers Out** – Transactions that withdraw money from

one fund to another without recourse: for example, legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

933 Indirect Costs – The transfer of funds from Federally-assisted programs to the General Fund for those indirect costs that are not readily identifiable but are, nevertheless, incurred for the joint benefit of those activities and other activities and programs of the organization.

CLASSIFICATION OF EXPENDITURES AND OTHER USES OF FUNDS

FUNCTION CODES

The function describes the activity for which a service or material object is acquired. The functions of an LEA are classified into five broad areas: instruction, support services, operation of non-instructional services, facilities acquisition and construction, and other outlays. Functions are further broken down into subfunctions and areas of responsibility.

1000 INSTRUCTION - Activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. It may also be provided through some other approved medium such as television, radio, telephone and correspondence. Included here are the activities of aides or classroom assistants of any type (clerks, graders, teaching machines, etc.) that assist in the instructional process.

1100 REGULAR PROGRAMS – Elementary and Secondary - Activities that provide students in grades K–12 with learning experiences to prepare them for activities as citizens, family members, and non-vocational workers. These programs contrast with those designed to improve or overcome physical, mental, social and/or emotional handicaps.

1105 Kindergarten – The activities associated with children for the year immediately preceding the first grade.

1110 Elementary – The activities associated with children from first grade through and including the eighth grade.

1130 Secondary – The activities associated with children from the ninth grade through and including the twelfth grade.

1200 SPECIAL EDUCATION PROGRAMS - Activities primarily for students having special needs. These programs include services for the gifted and talented, mentally retarded, or physically handicapped.

1210 Special Education – Activities for students identified as being mentally or physically disabled.

- 1220 Gifted and Talented** – Activities for students identified as being mentally gifted or talented.
- 1300 VOCATIONAL PROGRAMS** - Activities that provide students with the opportunity to develop the knowledge, skills and attitudes needed for employment in an occupational area.
- 1310 Agriculture** – Activities that enable students to acquire the background, knowledge, and skills necessary to enter a wide range of agriculturally related activities.
- 1340 Home Economics** – Activities that enable students to acquire knowledge and develop understanding, attitudes, and skills relevant to personal, home, and family life, and to home economics occupations.
- 1350 Industrial Arts** – Activities that develop students’ understanding about all aspects of industry and technology. These aspects include experimenting, designing, constructing, and evaluating; using tools, machines, materials; and using processes that may help individuals make informed and meaningful occupational choices, or that may prepare them to enter advanced trade and industrial or technical educational programs.
- 1360 Business** – Activities that prepare, upgrade, or retrain students for selected office occupations.
- 1390 Other Vocational Programs** – Other activities that provide students with the opportunity to develop the knowledge, skills, and attitudes needed for employment in an occupational area.
- 1400 OTHER INSTRUCTIONAL PROGRAMS** – Elementary and secondary: activities that provide students in grades K–12 with learning experiences not included in 1100 Regular Programs.
- 1410 Co–Curricular Activities** – School sponsored activities, under the guidance and supervision of the LEA staff, designed to provide students such experiences as motivation, enjoyment, and improvement of skills. Co–curricular activities normally supplement the regular instructional program and include such activities as band, chorus, choir, speech and debate. Also included are student-financed

and managed activities, such as chess club, senior prom, Future Farmers of America, senior class, etc.

1420 Athletics – School sponsored activities, under the guidance and supervision of LEA staff, that provide opportunities for students to pursue various aspects of physical education. Athletics normally involve competition between schools and frequently involve offsetting gate receipts or fees.

1440 Driver Education Programs – Activities that provide students with instruction in learning to drive an automobile.

1490 Other – Activities that provide students with learning experiences not included above.

1500 SPECIAL PROGRAMS - Activities primarily for students having special needs. These programs include pre-kindergarten, culturally different students with learning disabilities, bilingual students, and special programs for other types of students.

1510 Improving America's Schools Act (IASA) – Activities for students whose background is so different from that of most other students that they need additional opportunities beyond those provided in the regular educational program.

1520 Bilingual Education Programs (Title VII) – Activities for students from homes in which the English language is not the primary language spoken.

1530 Pre-Kindergarten Programs – Activities associated with children of any age span below kindergarten.

1600 ADULT/CONTINUING EDUCATION PROGRAMS - Activities that develop knowledge and skills to meet immediate and long range educational objectives of adults who have completed or interrupted their formal schooling to accept adult roles and responsibilities. Programs include activities for

developing the fundamental tools of learning; for preparing students for a post secondary career; for preparing students for post secondary education programs; for upgrading occupational competence; for preparing students for a new or different career; for developing skills and appreciation for special interests; or for enriching the aesthetic qualities of life.

1700 COMMUNITY/JUNIOR COLLEGE EDUCATION PROGRAMS –
Deleted in the September 1999 Revision

2000 SUPPORT SERVICES - Support services provide administrative, technical (such as guidance and health), and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, community services and enterprise programs, rather than as entities within themselves.

2100 PUPIL SUPPORT SERVICES - Activities designed to assess and improve the well-being of students and to supplement the teaching process.

2110 Child Welfare and Attendance Services – Activities that are designed to improve student attendance at school and that attempt to prevent or solve student problems involving the home, the school, and the community. Registration activities for Adult Education Programs are included here.

2111 Supervision of Attendance and Social Work Services – Activities associated with directing, managing and supervising attendance and social work.

2112 Attendance Services – Activities such as promptly identifying nonattendance patterns, promoting improved attitudes toward attendance, analyzing causes of nonattendance, acting early on nonattendance problems, and enforcing compulsory attendance laws.

2113 Social Work Services – Activities such as investigating and diagnosing student problems arising out of the home, school, or community; providing casework and group work services

for the child, parent, or both; interpreting the problems of students for other staff members; and promoting modification of the circumstances surrounding the individual student and are related to his or her problem.

2114 Student Accounting Services – Activities of acquiring and maintaining records of school attendance, location of home, family characteristics, and census data. Portions of these records become a part of each student's cumulative record, which is sorted and stored for teacher and guidance information. Pertinent statistical reports are prepared under this function as well.

2119 Other Attendance and Social Work Services – Attendance and social work services other than those described above.

2120 GUIDANCE SERVICES – Activities involving counseling with students and parents; consulting with other staff members on learning problems; evaluating the abilities of students; assisting students as they make their own educational and career plans and choices; assisting students in personal and social development; providing referral assistance; and working with other staff members in planning and conducting guidance programs for students.

2121 Supervision of Guidance Services – Activities associated with directing, managing and supervising guidance services.

2122 Counseling Services – Activities concerned with the relationship among one or more counselors and one or more students as counselees, among students and students, and among counselors and other staff members. These activities are designed to help the student understand his or her educational, personal, and occupational strengths and limitations; relate his or her abilities, emotions, and aptitudes to educational and career opportunities; utilize his or her abilities in formulating realistic plans; and achieve satisfying personal and social development.

2123 Appraisal Services – Activities that assess student characteristics – which are used in administration, instruction, and guidance – and that assist the student in assessing his or

her purposes and progress in career and personality development.

2124 Information Services – Activities for disseminating educational, occupational, and personal social information to help acquaint students with the curriculum and with educational and vocational opportunities and requirements. Such information might be provided directly to students through activities such as group or individual guidance, or it might be provided indirectly to students, through staff members or parents.

2125 Record Maintenance Services – Activities for compiling, maintaining, and interpreting cumulative records of individual students, including systematic consideration of such factors as home and family background, physical and medical status, standardized test results, personal and social development, and school performance.

2126 Placement Services – Activities that help place students in appropriate situations while they are in school. These placements could be educational situations, part-time employment while they are in school, and appropriate educational and occupational situations after they leave school. These activities also help ease the student's transition from one educational experience to another. The transition may require, for example, admissions counseling, referral services, assistance with records, and follow-up communications with employers.

2129 Other Guidance services – Guidance services that cannot be classified above.

2130 HEALTH SERVICES - Physical and mental health services that are not direct instruction. Included are activities that provide students with appropriate medical, dental, and nursing services.

2131 Supervision of Health Services – Activities associated with directing and managing health services.

2132 Medical Services – Activities concerned with the physical

and mental health of students, such as health appraisal, including screening for vision, communicable diseases, and hearing deficiencies; screening for psychiatric services, periodic health examinations; emergency injury and illness care; and communications with parents and medical officials.

2133 Dental Services – Activities associated with dental screening, dental care, and orthodontic activities.

2134 Nursing Services – Activities associated with nursing, such as health inspection, treatment of minor injuries, and referrals for other health services.

2139 Other Health Services – Health services not classified above.

2140 PSYCHOLOGICAL SERVICES - Activities concerned with administering psychological tests and interpreting the results; gathering and interpreting information about student behavior; working with other staff members in planning school programs to meet the special needs of students as indicated by psychological tests and behavioral evaluation; and planning and managing a program of psychological services, including psychological counseling for students, staff and parents.

2141 Supervision of Psychological Services – Directing, managing and supervising the activities associated with psychological services.

2142 Psychological Testing Services – Activities concerned with administering psychological tests, standardized tests, and inventory assessments. These tests measure ability, aptitude, achievement, interests and personality. Activities also include the interpretation of these tests for students, school personnel, and parents.

- 2143 Psychological Counseling Services** – Activities that take place between a school psychologist or other qualified person as counselor and one or more students as counsees in which the students are helped to perceive, clarify, and solve problems of adjustment and interpersonal relationships.
- 2144 Psychotherapy Services** – Activities that provide a therapeutic relationship between a qualified mental health professional and one or more students, in which the students are helped to perceive, clarify, and solve emotional problems.
- 2149 Other Psychological Services** – Other activities associated with psychological services not classified above.
- 2150 SPEECH PATHOLOGY AND AUDIOLOGY SERVICES** - Activities that identify, assess, and treat children with speech, hearing, and language impairments.
- 2151 Supervision of Speech Pathology and Audiology Services** – Activities associated with directing, managing and supervising Speech Pathology and Audiology services.
- 2152 Speech Pathology Services** – Activities that identify children with speech and language disorders; diagnose and appraise specific speech and language disorders; refer problems for medical or other professional attention necessary to treat speech and language disorders; provide required speech treatment services; and counsel and guide children, parents, and teachers, as appropriate.
- 2153 Audiology services** – activities that identify children with hearing loss; determine the range, nature, and degree of hearing function; refer problems for medical or other professional attention appropriate to treat impaired hearing; treat language impairment; involve auditory training, speech reading (lip-reading), and speech conversation; create and administer programs of hearing conservation; and counsel children, parents, and teachers as appropriate.

- 2159 Other Speech Pathology and Audiology Services** – Other activities associated with Speech Pathology and Audiology services not classified above.
- 2190 Other Pupil Support Services** - Other support services to students not classified elsewhere in 2100 Pupil Support.
- 2200 INSTRUCTIONAL STAFF SERVICES** - Activities associated with assisting the instructional staff with the content and process of providing learning experiences for students.
 - 2210 Supervision of Improvement of Instructional Services** – Activities associated with directing, managing and supervising the improvement of instructional services.
 - 2211 Regular Education** – Elementary/Secondary Programs – Activities associated with directing, managing and supervising the improvement of instruction in grades K–12.
 - 2212 Special Education Programs** – Activities associated with directing, managing and supervising the improvement of instruction for students identified as being mentally or physically disabled.
 - 2213 Gifted and Talented** – Activities associated with directing, managing and supervising the improvement of instruction for students identified as being mentally gifted or talented.
 - 2214 Other Special Programs** – Activities associated with directing, managing and supervising the improvement of instruction for students in special programs: IASA Programs, Bilingual Programs, and Headstart/Early Childhood Programs.
 - 2215 Vocational** – Activities associated with directing, managing and supervising the improvement of instruction for students in the vocational programs.

- 2216 Adult/Continuing Education** – Activities associated with directing, managing and supervising the improvement of instruction for students in the adult or continuing education programs.
- 2219 Other Education Programs** – Activities associated with directing, managing and supervising the improvement of instruction for students in other programs not identified above.
- 2220 Instruction and Curriculum Development Services** – Activities that aid teachers in developing the curriculum, preparing and utilizing special curricular materials, and understanding and appreciating the various techniques that stimulate and motivate students.
- 2230 Instructional Staff Training Services** – Activities that contribute to the professional or occupational growth and competence of members of the instructional staff during the time of their service to the school system or school. Among these activities are workshops, demonstrations, school visits, courses or college credit, sabbatical leaves, and travel leaves.
- 2240 Other Improvement of Instruction Services** – Activities for improving instruction other than those classified above.
- 2250 Educational Media Services** – Activities concerned with the use of all teaching and learning resources, including hardware and content materials. Educational media are defined as any devices, content materials, methods, or experiences used for teaching and learning purposes. These materials include printed and non-printed sensory materials.
- 2251 Supervision of Educational Media Services** – Activities concerned with directing, managing and supervising educational media services.
- 2252 School Library Services** – Activities such as selecting, acquiring, preparing, cataloging, and circulating books and other printed materials; planning the use of the library by students, teachers and other members of the instructional staff; and guiding individuals in their use of library books and

materials, whether maintained separately or as a part of an instructional materials center. Textbooks will not be charged to this function but rather to 1000 Instruction.

- 2253 Audiovisual Services** – Activities such as selecting, preparing, caring for, and making available to members of the instructional staff the equipment, films, filmstrips, transparencies, tapes, TV programs, and similar materials, whether maintained separately or as part of an instructional materials center. Included are activities in the audiovisual center, TV studio, and related work–study areas, and the services provided by audiovisual personnel.
- 2254 Educational Television Services** – Activities concerned with planning, programming, writing, and presenting educational programs or segments of programs by closed circuit or broadcast television.
- 2255 Computer–Assisted Instruction Services** – Activities concerned with planning, programming, writing, and presenting educational projects that have been especially programmed for a computer to be used as the principal medium of instruction.
- 2259 Other Educational Media Services** – Educational media services other than those classified above.
- 2290 Other Instructional Staff Services** – Services supporting the instructional staff not properly classified elsewhere in 2200 Instructional Staff Services.
- 2300 GENERAL ADMINISTRATION** – Activities concerned with establishing and administering policy for operating the LEA. These activities do not include the chief business official here, but are included in 2500 Business Services.

- 2310 Board of Education Services** – Activities of the elected body that has been created according to State law and vested with responsibilities for educational activities in a given administrative unit.
- 2311 Supervision of Board of Education Services** –Activities concerned with directing and managing the general operation of the Board of Education. These include the activities of the members of the Board of Education, but does not include any special activities defined in the other areas of responsibility described below. They also include any activities of the district (LEA) performed in support of the school district meeting. Legal activities in interpretation of the laws and statutes and general liability situations are charged here, as are the activities of external auditors.
- 2312 Board Secretary/Clerk Services** – Activities required to perform the duties of the secretary or clerk of the Board of Education.
- 2313 Board Treasurer Services** – Activities required to perform the duties of treasurer of the Board of Education.
- 2314 Election Services** – Services rendered in connection with any school system election, including elections of officers and bond elections.
- 2315 Tax Assessment and Collection Services** – Services rendered in connection with tax assessment and collection.
- 2316 Staff Relations and Negotiations Services** – Activities concerned with staff relations systemwide and the responsibilities for contractual negotiations with both instructional and non-instructional personnel.
- 2319 Other Board of Education Services** – Board of Education services that cannot be classified under the preceding areas of responsibility.

2320 Executive Administrative Services – Activities associated with the overall general administration of or executive responsibility for the entire LEA.

2321 Office of Superintendent Services – Activities performed by the superintendent in generally directing and managing all affairs of the LEA. These activities include all personnel and materials in the office of the chief executive officer.

2322 Community Relations Services – Activities and programs developed and operated systemwide for improving school/community relations.

2323 State and Federal Relations Services – Activities associated with developing and maintaining good relationships with State and Federal officials. The activities associated with grant procurement are included.

2324 Office of Assistant Superintendent Services – Activities performed by deputy, associate, and assistant superintendents in assisting the superintendent in generally directing and managing all affairs of the LEA. Activities of the offices of the deputy superintendent should be charged here, unless the activities can be placed properly into a service area. In this case, they would be charged to service area direction in that service area.

2329 Other Executive Administration Services – Other general administrative services that cannot be recorded under the preceding functions.

2400 SCHOOL ADMINISTRATION – Activities concerned with the overall administrative responsibility for a school.

2410 Office of the Principal Services – Activities concerned with directing and managing the operation of a particular school. They include the activities performed by the principal while he/she supervises all operations of the school, evaluates the staff members of the school, assigns duties to staff members, supervises and maintains the records of the school, and coordinates school instructional activities with those of the LEA. These activities also include the

work of the clerical staff in support of the teaching and administrative duties.

2420 Office of the Assistant Principal Services – Activities performed by assistant principals and other assistants concerned with directing and managing the operation of a particular school under the supervision of the principal.

2490 Other School Administration Services – Other school administrative services that cannot be recorded under the previous functions. Included are graduation expenses and full-time department chairpersons.

2500 BUSINESS SERVICES – Activities concerned with paying, transporting, exchanging, and maintaining goods and services for the LEA. Included are the fiscal and internal services necessary for operating the LEA.

2510 Fiscal Services – Activities concerned with the fiscal operations of the LEA. This function includes budgeting, receiving and disbursing, financial and property accounting, payroll, inventory control, internal auditing and managing funds.

2511 Supervising Fiscal Services – Activities concerned with directing, managing and supervising the fiscal services area. They include the activities of the assistant superintendent, director, or school business official who directs and manages fiscal activities.

2512 Budgeting Services – Activities concerned with supervising budget planning, formulation, control and analysis.

2513 Receiving and Disbursing Funds Services – Activities concerned with taking in money and paying it out. They include the current audit of receipts; interest on short term loans; the pre-audit of requisitions or purchase orders to determine whether the amounts are within the budgetary allowances and to determine that such disbursements are lawful expenditures of the school or an LEA; and the management of school funds.

2514 Payroll Services – Activities concerned with periodically

paying individuals entitled to remuneration for services rendered. Payments are also made for such payroll-associated costs as federal income tax withholding, retirement, and social security.

2515 Financial Accounting Services – Activities concerned with maintaining records of the financial operations and transactions of the school system. They include such activities as accounting and interpreting financial transactions and account records.

2516 Internal Auditing Services – Activities concerned with verifying the account records, which includes evaluating the adequacy of the internal control system, verifying and safeguarding assets, reviewing the reliability of the accounting and reporting systems, and ascertaining compliance with established policies and procedures.

2517 Property Accounting Services – Activities concerned with preparing and maintaining current inventory records of land, building, and equipment. These records are used in equipment control and facilities planning.

2519 Other Fiscal Services – Fiscal services that cannot be classified under the preceding functions.

2520 Purchasing Services – Activities concerned with purchasing supplies, furniture, equipment, and materials used in schools or school system operations.

2530 Warehousing and Distributing Services – Activities concerned with receiving, storing, and distributing supplies, furniture, equipment, materials, and mail. They include collecting and transporting cash from school facilities to the central administration office or bank for control, deposit, or both.

- 2535 Warehouse Inventory Adjustment** – Activities involving adjustments to inventories reported on a consumption basis, in object codes 610 Materials and Supplies, 630 Food, or 730 Equipment, or for lost or stolen equipment.
- 2540 Printing, Publishing, and Duplicating Services** – Activities concerned with printing and publishing administrative publications such as annual reports, school directories, and manuals. Activities here also include centralized services for duplicating school materials and instruments such as school bulletins, newsletters, and notices.
- 2590 Other Business Services** – Other business support services not classified elsewhere in 2500 Business Services.
- 2600 OPERATIONS AND MAINTENANCE OF PLANT SERVICES** – Activities concerned with keeping the physical plant open, comfortable, and safe for use, and with keeping the grounds, buildings, and equipment in effective working condition and state of repair. These activities include maintaining safety in buildings, on the grounds, and in the vicinity of schools.
- 2610 Supervision of Operation and Maintenance of Plant Services** – Activities involved in directing, managing and supervising the operation and maintenance of school plant facilities.
- 2620 Operating Buildings Services** – Activities concerned with keeping the physical plant clean and ready for daily use. They include operating the heating, lighting, and ventilating systems, and repairing and replacing facilities and equipment. Also included are the costs of building rental and property insurance.
- 2630 Care and Upkeep of Grounds Services** – Activities involved in maintaining and improving the land, (but not the buildings). These include snow removal, landscaping, grounds maintenance and the like.
- 2640 Care and Upkeep of Equipment Services** – Activities involved in maintaining equipment owned or used by the LEA. They include such activities as servicing and repairing furniture, machines, and movable equipment.

- 2650 Vehicle Operation and Maintenance Services (other than student transportation vehicles)** – Activities involved in maintaining general purpose vehicles such as trucks, tractors, graders, and staff vehicles. These activities are considered regular or preventive maintenance: i.e., repairing vehicles; replacing vehicle parts; and cleaning, painting, greasing, fueling, and inspecting vehicles for safety.
- 2660 Security Services** – Activities concerned with maintaining order and safety in school buildings, on the grounds, and in the vicinity of schools at all times. Included are police activities for school functions, traffic control on grounds and in the vicinity of schools, building alarm systems, and hall monitoring services.
- 2690 Other Operation and Maintenance of Plant Services** – Operations and maintenance of plant services that cannot be classified elsewhere in 2600 Operation and Maintenance of Plant Services.
- 2700 STUDENT TRANSPORTATION SERVICES** – Activities concerned with conveying students to and from school, as provided by State and Federal law. This function includes trips between home and school, and trips to school activities.
- 2710 Supervision of Student Transportation Services** – Activities pertaining to directing and managing student transportation services.
- 2720 Regular Transportation** – Activities involving the transportation of regular education students.
- 2721 Vehicle Operation Services** – Activities involved in operating vehicles for student transportation, from the time the vehicles leave the point of storage until they return to the point of storage. These activities include driving buses or other student transportation vehicles.
- 2722 Monitoring Services** – Activities concerned with supervising students in the process of being transported between home and school, and between school and school activities. Such supervision can occur while students are in transit, while they are being loaded and unloaded, and while the supervisor is directing traffic at the loading stations.

- 2723 Vehicle Servicing and Maintenance Services** – Activities involved in maintaining student transportation vehicles. It includes repairing vehicle parts; replacing vehicle parts; and cleaning, painting, fueling, and inspecting vehicles for safety.
- 2730 Special Education Transportation** – Activities involving the transportation of mentally and physically disabled students.
- 2731 Vehicle Operation Services** – Activities involved in operating vehicles for student transportation, from the time the vehicles leave the point of storage until they return to the point of storage. These activities include driving buses or other student transportation vehicles.
- 2732 Monitoring Services** – Activities concerned with supervising students in the process of being transported between home and school, and between school and school activities. Such supervision can occur while students are in transit, while they are being loaded and unloaded, and while the supervisor is directing traffic at the loading stations.
- 2733 Vehicle Servicing and Maintenance Services** – Activities involved in maintaining student transportation vehicles. These include repairing vehicle parts; replacing vehicle parts; and cleaning, painting, fueling, and inspecting vehicles for safety.
- 2790 Other Student Transportation Services** – Student transportation services that cannot be classified elsewhere in 2700 Student Transportation Services.
- 2800 CENTRAL SERVICES** – Activities, other than general administration, that support each of the other instructional and supporting services programs. These activities include planning, research, development, evaluation, information, staff, and data processing services.
- 2810 Planning, Research, Development, and Evaluation Services** – Activities associated with conducting and managing programs of planning, research development, and evaluation for a school system on a system-wide basis.

Planning Services – Activities concerned with selecting or identifying the overall, long-range goals and priorities of the organization or program. They also involve formulating various courses of action needed to achieve these goals. This process is done by identifying needs and relative costs and benefits of each course of action.

Research Services – Activities concerned with the systematic study and investigation of the various aspects of education, undertaken to establish facts and principles.

Development Services – Activities in the deliberate evolving process of improving educational programs - such as using the products of research.

Evaluation Services – Activities concerned with ascertaining or judging the value or amount of an action or an outcome. This evaluation is conducted through the careful appraisal of previously specified data in light of the particular situation and the goals previously established.

2820 Information Services – Activities concerned with writing, editing, and other preparing materials necessary to disseminate educational and administrative information to students, staff, managers, and the general public through direct mailing, the various news media, or personal contact.

2821 Supervision of Information Services – Activities concerned with directing, managing and supervising information services.

2822 Internal Information Services – Activities concerned with writing, editing, and providing administrative information to students and staff.

2823 Public Information Services – Activities concerned with writing, editing, and other preparing materials necessary to disseminate educational and administrative information to the public through various news media or personal contact.

2824 Management Information Services – Activities concerned

with writing, editing, and other preparing of materials necessary to disseminate to management (1) the information needed about the operation of the LEA and (2) information about the community, state, and nation to make logical decisions.

2829 Other Information Services – Activities concerned with 2820 Information Services not classified above.

2830 Personnel Services – Activities concerned with maintaining an efficient staff for the school system. These activities include such activities as recruiting and placement, staff transfers, inservice training, health service, and staff accounting.

2831 Supervision of Personnel Services – Activities concerned with directing, managing and supervising staff services.

2832 Recruitment and Placement Services – Activities concerned with employing and assigning personnel for the LEA.

2833 Staff Accounting Services – Services rendered in connection with the systematic recording and summarizing of information relating to staff members employed by the LEA.

2834 Inservice Training Services (for non-instructional staff) – Activities developed by the LEA for training of non-instructional personnel in all classifications.

2835 Health Services – Activities concerned with medical, dental, and nursing services provided for school district employees. Included are physical examinations, referrals, and emergency care.

2839 Other Staff Services – Staff services that cannot be classified under the preceding functions.

2840 Data Processing Services – Activities concerned with preparing data for storage, storing data, and retrieving data for reproduction as information for management and reporting purposes.

2841 Supervising Data Processing Services – Activities concerned with directing, managing and supervising data processing services.

2842 Systems Analysis Services – Activities concerned with searching for and evaluating alternatives for achieving defined objectives, based on judgment and, wherever possible, on quantitative methods. Where applicable, these activities pertain to the development of data processing procedures or application to electronic data processing equipment.

2843 Programming Services – Activities concerned with the preparation of a logical sequence of operations to be performed, either manually or electronically, in solving problems or processing data. These activities also involve preparing coded instructions and data for such sequences.

2844 Operations Services – Activities concerned with scheduling, maintaining, and producing data. These activities include operating business machines, data preparation devices, and data processing machines.

2849 Other Data Processing – Activities concerned with 2840 Data Processing not described above.

2900 OTHER SUPPORT SERVICES – All other support services not classified elsewhere in 2000 Support Services.

3000 OPERATION OF NON-INSTRUCTIONAL SERVICES – Activities concerned with providing non-instructional services to students, staff or the community.

3100 FOOD SERVICES OPERATIONS – Activities concerned with providing food to students and staff in a school or LEA to meet the nutritional needs of children as defined in U. S. D. A. Child nutrition regulations for participating schools or LEA. Activities may include the operation of breakfast, lunch, snacks, catering, and nutrition education.

3110 Food Service District Office – Activities associated with the overall general administration of the Child Nutrition Programs. (School

Breakfast, School Lunch, After School Snacks, Catering, and Nutrition Education).

- 3111 Office of the District Supervisor** – Activities concerned with the directing and managing of the food service operations of all schools in the district. These activities include all personnel and materials in the district office.
- 3112 Office of the Assistant Supervisor** – Activities performed to assist the district supervisor in managing all food service activities of the LEA.
- 3120 Food Service Sites** – Activities concerned with food service operations for a school.
- 3121 Office of the Site Manager** – Activities concerned with directing and managing the food service operations of a particular school.
- 3122 Office of the Assistant Site Manager** – Activities performed by the assistant site manager concerned with directing and managing the food service operations of a particular school.
- 3200 ENTERPRISE OPERATIONS** – Activities that are financed and operated in a manner similar to private business enterprises in which the stated intent is that the costs are financed or recovered primarily through user charges. Food services should not be charged here, but rather to function 3100 Food Services Operations. One example could be the LEA bookstore.
- 3300 COMMUNITY SERVICES OPERATIONS** – Activities concerned with providing community services to students, staff or other community participants. Examples of this function would be the operation of a community swimming pool, a recreation program for the elderly, a child care center for working mothers, etc.
- 4000 FACILITIES ACQUISITION AND CONSTRUCTION SERVICES** – Activities concerned with acquiring land and buildings; remodeling buildings; constructing buildings and additions to buildings; initially installing or extending service systems and other built-in equipment; and improving sites.

- 4100 SITE ACQUISITION SERVICES** – Activities concerned with initially acquiring and improving new sites.
- 4200 SITE IMPROVEMENT SERVICES** – Activities concerned with improving sites and with maintaining existing site improvements.
- 4300 ARCHITECTURE AND ENGINEERING SERVICES** – The activities of architects and engineers related to acquiring and improving sites and improving buildings. Charges are made to this function for only those preliminary activities that may or may not result in additions to the LEA's property. Otherwise, charge these services to 4100 Site Acquisition Services, 4200 Site Improvement Services, 4500 Building Acquisition and Construction Services, or 4600 Building Improvement Services, as appropriate.
- 4400 EDUCATIONAL SPECIFICATIONS DEVELOPMENT SERVICES** – Activities concerned with preparing and interpreting descriptions of specific space requirements for the various learning experiences of students to be accommodated in a building. These specifications are interpreted to the architects and engineers in the early stages of blueprint development.
- 4500 BUILDING ACQUISITION AND CONSTRUCTION SERVICES** – Activities concerned with buying or constructing buildings.
- 4600 BUILDING IMPROVEMENTS SERVICES** – Activities concerned with building additions and with installing or extending service systems and other built-in equipment.
- 4700 SIXTEENTH SECTION LAND IMPROVEMENTS** – Activities concerned with making improvements to sixteenth section lands. These activities may include re-seeding the land with trees, adding soil, cutting drainage canals, etc.
- 4900 OTHER FACILITIES ACQUISITION AND CONSTRUCTION SERVICES** – Facilities acquisition and construction activities that cannot be classified above.
- 5000 OTHER USE OF FUNDS** – A number of outlays of governmental funds are not properly classified as expenditures, but still require budgetary or accounting control. These include debt service payments (principal and interest) and certain transfers of monies from one fund to another. These accounts are not used with the proprietary

funds.

5100 DEBT SERVICE – Servicing the debt of the LEA, including payments of both principal and interest. Normally, only long-term debt service (obligations exceeding one year) is recorded here. Interest on current loans (repayable within one year of receiving the obligation) is charged to function 2513 Receiving and Disbursing Funds Services. The receipt and payment of principal on those loans is handled as an adjustment to the balance sheet account 451 Loans Payable.

5200 FUND TRANSFERS – Transactions that withdraw money from one fund and place it in another without recourse. Fund transfers budgeted to another functional activity, such as food service or transportation, are coded to the appropriate function and the object code 930 Interfund Transactions. **Unless State law prohibits, revenues should be allocated to the appropriate funds when received, rather than accepted in the general fund and later transferred.**

Interfund Loans are not recorded here, but are handled through the balance sheet accounts 131 Interfund Loans Receivable and 401 Interfund Loans Payable in the funds affected. When expenditures are made for replacement of damaged or stolen equipment, the expenditure should appear as 700 Property under the appropriate function.

CLASSIFICATION OF BALANCE SHEET ACCOUNTS

ASSETS AND OTHER DEBIT CODES

Assets and other debits include what is owned and what is not owned (as of the date of the balance sheet) but is expected to become owned fully at some future date. Also included are other budgeting and offsetting accounts which normally have debit balances.

CURRENT ASSETS: **Cash or anything that can be readily converted into cash.**

- 101 CASH IN BANK** – All funds on deposit with a bank or savings and loan institution in interest bearing and non-interest-bearing checking accounts.
- 102 CASH ON HAND** – Currency, coins, checks, postal and express money orders, and bankers' drafts on hand.
- 103 PETTY CASH** – A sum of money set aside for the purpose of paying small obligations for which the issuance of a formal voucher and check would be too expensive and time-consuming.
- 104 CHANGE CASH** – A sum of money set aside to provide change.
- 105 CASH WITH FISCAL AGENTS** – Deposits with fiscal agents, such as commercial banks, for paying matured bonds and interest.
- 111 INVESTMENTS** – Securities and real estate held for producing income in the form of interest, dividends, rentals or lease payments. The account does not include fixed assets used in LEA operations. Separate accounts for each category of investments may be maintained.
- 112 UNAMORTIZED PREMIUMS ON INVESTMENTS** – The excess of the amount paid for securities over the face value that has not yet been amortized. Use of this account is restricted to long-term investments.
- 113 UNAMORTIZED DISCOUNTS ON INVESTMENTS (CREDIT)** – The excess of the face value of securities over the amount paid for them which has not yet been written off. Use of this account is normally restricted to long-term investments.

- 114 INTEREST RECEIVABLE ON INVESTMENTS** – The amount of interest receivable on investments, excluding interest purchased. Interest purchased should be shown in a separate account.
- 115 ACCRUED INTEREST ON INVESTMENTS PURCHASED** – Interest accrued on investments between the last interest payment date and date of purchase. The account is carried as an asset until the first interest payment date after the date of purchase. Upon receipt and deposit of the cash, an entry is made debiting the account “Cash in Bank,” and crediting the “Accrued Interest on Investments Purchased” account for the amount of interest purchased and an interest earning revenue account (1510) for the balance.
- 121 TAXES RECEIVABLE** – The uncollected portion of taxes that a LEA or governmental unit has levied and that has become due, including any interest or penalties that may have accrued. Separate accounts may be maintained on the basis of tax roll, current and delinquent taxes, or both.
- 122 ESTIMATED UNCOLLECTABLE TAXES (CREDIT)** – That portion of taxes receivable it is estimated will not be collected. The account is shown on the balance sheet as a deduction from the taxes receivable account in order to arrive at the net taxes receivable. Separate accounts may be maintained on the basis of tax roll year, delinquent taxes, or both.
- 131 INTERFUND LOANS RECEIVABLE** – An asset account used to record a loan by one fund to another fund in the same governmental unit. It is recommended that separate accounts be maintained for each Interfund receivable loan.
- 132 INTERFUND ACCOUNTS RECEIVABLE** – An asset account used to indicate amounts owed to a particular fund by another fund in the same LEA for goods sold or services rendered. It is recommended that separate accounts be maintained for each Interfund receivable.
- 141 INTERGOVERNMENTAL ACCOUNTS RECEIVABLE** – Amounts due to the reporting governmental unit from another governmental unit. These amounts may represent grants-in-aid, shared taxes, taxes collected for the reporting by the reporting unit, loans, and charges for services rendered by the reporting unit for another government. It is recommended that separate accounts be maintained for each interagency receivable.

- 151 LOANS RECEIVABLE** – Amounts that have been loaned to persons or organizations, including notes taken as security for such loans, where permitted by statutory authority.
- 152 ESTIMATED UNCOLLECTIBLE LOANS (CREDIT)** – The portion of loans receivable that it is estimated will not be collected. The account is shown on the balance sheet as a deduction from the other loans receivable account.
- 153 OTHER ACCOUNTS RECEIVABLE** – Amounts owed on open account from private persons, firms, or corporations for goods and services furnished by an LEA (but not including amounts due from other funds or from other governmental units).
- 154 ESTIMATED UNCOLLECTIBLE ACCOUNTS RECEIVABLE (CREDIT)** – A provision for that portion of accounts receivable that it is estimated will not be collected. The account is shown on the balance sheet as a deduction from the other accounts receivable account.
- 161 BOND PROCEEDS RECEIVABLE** – An account used to designate the amount receivable upon the sale of bonds.
- 171 INVENTORIES FOR CONSUMPTION** – The cost of supplies and equipment on hand not yet distributed to requisitioning units.
- 172 INVENTORIES FOR RESALE** – The value of goods held by an LEA for resale rather than for use in its own operations.
- 181 PREPAID EXPENSES** – Expenses paid for benefits not yet received. Prepaid expenses differ from deferred charges in that they are spread over a shorter period of time than deferred charges and are regularly recurring costs of operation. Examples of prepaid expenses are prepaid rent, prepaid interest, and unexpired insurance premiums. An example of a deferred charge is unamortized discounts on bonds sold.
- 191 DEPOSITS** – Funds deposited by the LEA as prerequisite to receiving services, goods, or both.
- 199 OTHER CURRENT ASSETS** – Current assets not provided for elsewhere.

- 211 SITES** – A fixed asset account that reflects the acquisition value of land owned by an LEA. If land is purchased, this account includes the purchase price and costs – such as legal fees, filling and excavation costs, and other associated improvement costs incurred to put the land in condition for its intended use. If land is acquired by gift, the account reflects its appraised value at the time of acquisition.
- 221 SITE IMPROVEMENTS** – A fixed asset account that reflects the acquisition value of permanent improvements, other than buildings, which add value to land. Examples of such improvements are fences, retaining walls, sidewalks, pavements, gutters, tunnels and bridges. If the improvements are purchased or constructed, this account contains the purchase or contract price. If improvements are obtained by gift, it reflects the appraised value at the time of acquisition.
- 222 ACCUMULATED DEPRECIATION ON SITE IMPROVEMENTS** – Accumulated amounts for depreciation of land improvements. The recording of depreciation is optional in the general fixed assets account group.
- 231 BUILDING AND BUILDING IMPROVEMENTS** – A fixed asset account that reflects the acquisition value of permanent structures used to house persons and property owned by the LEA. If buildings are purchased or constructed, this account includes not only the purchase or contract price of all permanent buildings, but also the fixtures attached to and forming a permanent part of such buildings. This account includes all building improvements. If buildings are acquired by gift, the account reflects their appraised value at the time of acquisition.
- 232 ACCUMULATED DEPRECIATION ON BUILDINGS AND BUILDING IMPROVEMENTS** – Accumulated amounts for depreciation of buildings and building improvements. The recording of depreciation is optional in the general fixed assets account group.
- 241 MACHINERY AND EQUIPMENT** – Tangible property of a more or less permanent nature - other than land, buildings, or improvements thereto - which is useful in carrying on operations. Examples are machinery, tools, trucks, cars, buses, furniture and furnishings. Appendix A provides criteria to distinguish whether a purchase is a supply or a piece of machinery or equipment.
- 242 ACCUMULATED DEPRECIATION ON MACHINERY AND EQUIPMENT** – Accumulated amounts for depreciation of machinery and equipment. The recording of depreciation is optional in the general fixed assets account group and required in the proprietary funds.

- 251 CONSTRUCTION IN PROGRESS** – The cost of construction work undertaken, but not yet completed.
- 303 AMOUNT AVAILABLE IN DEBT SERVICE FUNDS** – An account in the general long-term debt account group. It designates the amount of fund balance available in the debt service fund for the retirement of long-term debt.
- 304 AMOUNT TO BE PROVIDED FOR RETIREMENT OF GENERAL LONG-TERM DEBT** – An account in the general long-term debt account group. It designates the amount to be provided from taxes or other revenue to retire long-term debt.

CLASSIFICATION OF BALANCE SHEET ACCOUNTS

LIABILITIES AND OTHER CREDIT CODES

Liabilities are LEA debts plus items that are not debts, but which may become debts at some future time.

CURRENT LIABILITIES - Those debts the LEA expects to pay within a short period of time, usually within a year or less.

- 401 INTERFUND LOANS PAYABLE** – A liability account used to record a debt owed by one fund to another fund in the same governmental unit. It is recommended that separate accounts be maintained for each Interfund loan.
- 402 INTERFUND ACCOUNTS PAYABLE** – A liability account used to indicate amounts owed by a particular fund to another fund in the same LEA for goods and services rendered. It is recommended that separate accounts be maintained for each Interfund payable.
- 411 INTERGOVERNMENTAL ACCOUNTS PAYABLE** – Amounts owed by the reporting LEA to another governmental unit. It is recommended that separate accounts be maintained for each interagency payable.
- 421 ACCOUNTS PAYABLE** – Liabilities on open accounts owing to private persons, firms, or corporations for goods and services received by an LEA (but not including amounts due to other funds of the same LEA or to other governmental units).
- 422 JUDGMENTS PAYABLE** – Amounts due to be paid by an LEA as the result of court decisions, including condemnation awards paid for private property taken for public use.
- 423 WARRANTS PAYABLE** – Amounts due to designated payees in the form of a written order drawn by the LEA directing the LEA treasurer to pay a specific amount.
- 431 CONTRACTS PAYABLE** – Amounts due on contracts for assets, goods and services received by an LEA.

- 432 CONSTRUCTION CONTRACTS PAYABLE** – Retained Percentage – Liabilities on account of construction contracts for that portion of the work that has been completed but on which part of the liability has not been paid—pending final inspection, or the lapse of a specified time period, or both. The unpaid amount is usually a stated percentage of the contract price.
- 433 CONSTRUCTION CONTRACTS PAYABLE** – Amounts due by an LEA on contracts for constructing buildings and other structures, and other improvements.
- 441 MATURED BONDS PAYABLE** – Bonds that have reached or passed their maturity date, but which remain unpaid.
- 442 BONDS PAYABLE** – Bonds that have not reached or passed their maturity date, but which are due within one year or less.
- 443 UNAMORTIZED PREMIUMS ON BONDS SOLD** – An account that represents that portion of the excess of bond proceeds over par value and that remains to be amortized over the remaining life of such bonds.
- 451 LOANS PAYABLE** – Short-term obligations representing amounts borrowed for short periods of time, usually evidenced by notes payable or warrants payable.
- 455 INTEREST PAYABLE** – Interest due within one year.
- 461 ACCRUED SALARIES AND BENEFITS** – Salary and fringe benefit costs incurred during the current accounting period; these costs are not payable until a subsequent accounting period.
- 471 PAYROLL DEDUCTIONS AND WITHHOLDINGS** – Amounts deducted from employee salaries for withholding taxes and other purposes. District-paid benefit amounts payable also are included. A separate liability account may be used for each type of benefit.
- 481 DEFERRED REVENUES** – A liability account that represents revenues collected before they become due.
- 491 DEPOSITS PAYABLE** – Liability for deposits received as a prerequisite to providing or receiving services, goods, or both.

492 DUE TO FISCAL AGENT – Amounts due to fiscal agents, such as commercial banks, for serving an LEA's matured indebtedness.

499 OTHER CURRENT LIABILITIES – Other current liabilities not provided for elsewhere.

LONG-TERM LIABILITIES – Debt with a maturity of more than one year after the date of issuance.

511 BONDS PAYABLE – Bonds that have not reached or passed their maturity date and that are not due within one year.

521 LOANS PAYABLE – An unconditional written promise signed by the maker to pay a certain sum of money one year or more after the issuance date.

531 LEASE OBLIGATIONS – Amounts remaining to be paid on lease purchase agreements.

541 UNFUNDED PENSION LIABILITIES – The amount of the actuarial deficiency on a locally-operated pension plan to be contributed by the LEA on behalf of present employees.

590 OTHER LONG-TERM LIABILITIES – Other long-term liabilities not provided for elsewhere.

CLASSIFICATION OF BALANCE SHEET ACCOUNTS

FUND EQUITY CODES

These accounts identify the excess of a fund over its liabilities. Portions of that balance may be reserved for future use.

- 711 INVESTMENT IN GENERAL FIXED ASSETS** – An account in the General Fixed Assets Account Group. It represents the LEA's equity in general fixed assets. The balance of this account is normally subdivided according to the source of funds that financed the asset acquisition, such as General Fund revenues, bond issues, and contributions.
- 730 RESERVED–RETAINED EARNINGS** – The accumulated earnings of the proprietary funds that have been retained in the fund and that are reserved for a specific purpose. One example would be funds reserved for the future purchase of equipment.
- 740 UNRESERVED–RETAINED EARNINGS** – The accumulated earnings of the proprietary funds that have been retained in the fund and that are not reserved for any specific purpose.
- 751 RESERVE FOR INVENTORIES** – A reserve representing that portion of a fund balance segregated to indicate that assets equal to the amount of the reserve are tied up in inventories and are, therefore, not available for appropriation. The use of this account is optional.
- 752 RESERVE FOR PREPAID EXPENSES** – A reserve representing that portion of a fund balance segregated to indicate that assets equal to the amount of the reserve are tied up on prepaid expenses and are, therefore, not available for appropriation. The use of this account is optional.
- 753 RESERVE FOR ENCUMBRANCES** – A reserve representing that portion of a fund balance segregated to provide for unliquidated encumbrances. Separate accounts may be maintained for current and prior-year encumbrances.

- 760 RESERVED–FUND BALANCE** – A reserve representing that portion of a fund balance segregated to indicate that assets equal to the amount of the reserve are tied up and are, therefore, not available for appropriation. It is recommended that a separate reserve be established for each special purpose. One example of a special purpose would be restricted Federal programs.
- 770 UNRESERVED – UNDESIGNATED FUND BALANCE** – The excess of the assets of a fund over its liabilities and reserves.
- 780 UNRESERVED – DESIGNATED FUND BALANCE** – That portion of the fund balance that indicates tentative plans for financial resource utilization in a future period, such as for general contingencies or for equipment replacement. Such designations reflect tentative managerial plans and should clearly be distinguished from reserves.

DEFINITION - SUPPLIES vs. EQUIPMENT

An LEA can take two basic approaches to distinguish between supplies and equipment in the decision-making situations: (1) adopt a predetermined list of items, classifying each entry as either a supply or an item of equipment; or (2) adopt a set of criteria to be used in making its own classification of supply and equipment items.

LIST OF ITEMS – At one time, the Federal accounting handbook contained lists of both supplies and equipment. Such lists can never be comprehensive or exhaustive, and quickly become outdated.

SET OF CRITERIA – An item must be considered a supply if it does not meet all the stated equipment criteria listed below.

1. It can be expected to serve its principal purpose for at least one year.
2. It is nonexpendable; that is, if damaged or worn out, it can be repaired without being replaced.
3. It does not lose its identity through fabrication or incorporation into a different or more complex unit.
4. It is equal to or greater than \$1,000.00 per unit cost in value. Note: The unit cost of \$1,000.00 does not apply to any program funded with 8g monies.

Note: Food and computer software must always be considered supplies.

School districts must maintain rigorous accountability for their property whether it is capitalized or not. For accountability and internal control purposes, many items of property that do not meet the districts' capitalization threshold must be inventoried. Thus, the Department of Education recommends maintaining inventory and tracking items that do not meet the equipment criteria if needed for insurance purposes and/or the item has "street value". For instance, districts might inventory VCRs and computers for internal control purposes but not capitalize them due to their low cost.

